NARCOTICS LAW ENFORCEMENT

HEARING

BEFORE THE

SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL HOUSE OF REPRESENTATIVES

NINETY-SEVENTH CONGRESS

SECOND SESSION

APRIL 30, 1982

Printed for the use of the
Select Committee on Narcotics Abuse and Control

SCNAC-97-2-3

U.S. GOVERNMENT PRINTING OFFICE
95-288 O WASHINGTON : 1982

H96-9

SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL

LEO C. ZEFERETTI, New York, *Chairman*

PETER W. RODINO, Jr., New Jersey	TOM RAILSBACK, Illinois
CHARLES B. RANGEL, New York	ROBIN L. BEARD, Tennessee
FORTNEY H. (PETE) STARK, California	BENJAMIN A. GILMAN, New York
GLENN ENGLISH, Oklahoma	LAWRENCE COUGHLIN, Pennsylvania
BILLY L. EVANS, Georgia	ROBERT K. DORNAN, California
JAMES H. SCHEUER, New York	LAWRENCE J. DeNARDIS, Connecticut
CARDISS COLLINS, Illinois	E. CLAY SHAW, Jr., Florida
DANIEL K. AKAKA, Hawaii	MICHAEL G. OXLEY, Ohio
FRANK J. GUARINI, New Jersey	
ROBERT T. MATSUI, California	
Ex Officio:	*Ex Officio:*
MARIO BIAGGI, New York	MATTHEW J. RINALDO, New Jersey
DANTE B. FASCELL, Florida	ROBERT L. (BOB) LIVINGSTON, Louisiana
LINDY BOGGS, Louisiana	CHARLES F. DOUGHERTY, Pennsylvania
BARBARA A. MIKULSKI, Maryland	HENRY J. HYDE, Illinois
EARL HUTTO, Florida	
WALTER E. FAUNTROY, District of Columbia	

COMMITTEE STAFF

PATRICK L. CARPENTIER, *Chief Counsel*
BRENDA L. YAGER, *Minority Counsel*
EDWARD H. JURITH, *Staff Counsel*
JOHN W. PEPLOE, *Investigator*

CONTENTS

Page

Testimony of Robert M. Morgenthau, district attorney, New York County 4

Testimony of Sterling Johnson, special narcotics prosecutor, New York City 6

Testimony of Daniel J. Courtenay, chief, organized crime control, New York City Police Department 7

Testimony of John S. Martin, Jr., U.S. attorney, southern district of New York 27

Testimony of Edward R. Korman, U.S. attorney, eastern district of New York. 28

Testimony of Bruce E. Jensen, special agent in charge, Drug Enforcement Administration, New York City area 49

Testimony of Richard Bretzing, special agent in charge, Federal Bureau of Investigation, New York City area 50

Testimony of Capt. Gary F. Crosby, chief of maritime law enforcement, Atlantic area, U.S. Coast Guard 68

Testimony of Anthony M. Liberta, area director, J. F. K. Airport U.S. Customs Service 70

Testimony of Francis R. McGovern, commanding officer, narcotics squad, Nassau County 82

Testimony of George D. White, chief, organized crime unit, Nassau County Police Department 82

Testimony of Lt. Richard J. Siee, chief narcotics officer, Suffolk County 83

Prepared statement of District Attorney Robert M. Morgenthau and Special Narcotics Prosecutor Sterling Johnson 88

Prepared statement of Daniel J. Courtenay, chief, organized crime control, New York City Police Department 93

Prepared statement of John S. Martin, Jr., U.S. attorney, southern district of New York 102

Prepared statement of Edward R. Korman, U.S. Attorney, eastern district of New York 123

Prepared statement of Bruce E. Jensen, special agent in charge, Drug Enforcement Administration, New York division 127

Prepared statement of Capt. Gary F. Crosby, Department of Transportation, U.S. Coast Guard 135

Prepared statement of Lt. Richard J. Siee, chief narcotics officer, Suffolk County 140

Submission for the record—Letter of response to Congressman Gilman's request for information during hearing 145

Appendixes:

- A. New York State Heroin Influx Update 147
- B. New York State Cocaine Influx Update 155
- C. New York Federal Court Narcotics Offender Data 158
- D-1 Letter to Commissioner William von Raab, U.S. Customs Service from Chairman Zeferetti, April 14, 1982 159
- D-2 Response to Chairman Zeferetti's letter from Commissioner von Raab, April 27, 1982 160
- D-3 Letter to Commissioner William von Raab, U.S. Customs Service from Chairman Zeferetti, May 4, 1983 165
- D-4 Response to Chairman Zeferetti from Alfred R. DeAngelus, Acting Commissioner of Customs, June 2, 1982 165
- E. Overview of 1983 Budget Requests for Selected Drug Enforcement Agencies 166
- F. Letter from Elliot M. Gross, M.D., Medical Examiner, City of New York to Chairman Zeferetti, September 16, 1982 167

NARCOTICS LAW ENFORCEMENT

FRIDAY, APRIL 30, 1982

House of Representatives,
Select Committee on Narcotics Abuse and Control,
New York, N.Y.

The select committee met, pursuant to call, at 9:30 a.m., in Courtroom No. 1, U.S. Court of International Trade, 1 Federal Plaza, New York, N.Y., Hon. Leo C. Zeferetti (chairman of the committee) presiding.

Present: Congressmen Leo C. Zeferetti, Charles B. Rangel, James H. Scheuer, Benjamin A. Gilman, and Bill Green.

Staff present: Patrick L. Carpentier, chief counsel; Brenda L. Yager, minority counsel; Edward H. Jurith, staff counsel; John W. Peploe, investigator; James J. Heavey, press officer; Ricardo R. Laremont, professional staff, and Elliott Brown, minority professional staff.

Mr. Zeferetti. Good morning, ladies and gentlemen.

Today the Select Committee on Narcotics Abuse and Control will conduct a public hearing to assess how recent administration actions and initiatives in drug law enforcement are impacting not only upon the New York area, but also, as well, upon the Nation as a whole. There has been an extensive shifting of personnel and equipment from the New York area and other parts of the country to be part of a major war against drugs in south Florida. This includes customs planes and Coast Guard cutters. Also, there have been significant reductions in Federal drug law enforcement budgets.

It is important that we look at the impact in New York, since New York is the major gateway for heroin trafficking into the United States. Statistics from the Drug Enforcement Administration show a dramatic increase in heroin availability and in the number of heroin addicts.

May I interject at this time into the record that we have some statistics that show that cocaine use has become a new phenomenon in the New York area.

Between 1978 and 1981, the number of treatment admissions for cocaine in New York State, areas outside New York City, increased about 60 percent, from 348 to 569. The 1981 household survey conducted by the New York State Division of Substance Abuse Services found that of 8,503 million household residents aged 12 years and older who live in the rest of the State, that about 5 percent, or 384,000, have used cocaine in their lifetime, 227,000 have used cocaine in the past 6 months, and 127,000 have used cocaine in the past 30 days.

It is very interesting that almost as many household residents that reside outside New York City as in the city have used cocaine. So this is an increase and a new threat in our city.

In the New York area, three of the six Coast Guard cutters assigned to the 3d Coast Guard District are being reassigned to south Florida. Of the remaining three, two will soon report for regular maintenance.

In addition, 30 customs investigatory personnel from New York have been transferred to south Florida. I feel confident that the situation is the same in other coastal cities from which personnel have been drawn.

Not only is there a shifting of resources but, at the same time, the administration is cutting Federal law enforcement personnel. The 1983 law enforcement Federal budget will reduce approximately 900 to 1,200 customs inspectors and 100 customs patrol officers. Of this number, New York will lose 156 inspectors and 27 patrol officers. The Coast Guard will require a substantial supplemental appropriation to maintain its current operations.

The administration unfortunately is addressing the problems of drug trafficking and drug abuse with a crisis management approach by shifting rather than increasing resources. This quick reaction may temporarily show results in a particular area. The trafficking, however, will never be stopped until it is attacked on all fronts with sufficient personnel and assets to do the job.

Recognizing budget limitations, we are here today to see how Federal law enforcement resources can be used more effectively with State and local resources to combat narcotics trafficking in the New York metropolitan area. It is imperative that we use all the resources we can muster, managed as effectively as possible, to mount a comprehensive attack on drug trafficking and drug-related crime. There must be a full and complete sharing of information.

We will look at how the DEA/FBI reorganization has been working, since the administration is relying heavily on the FBI to aid in the drug fight. We in the Congress have reservations as to whether or not the FBI has the expertise and the personnel to move heavily into this new area.

Further, we will look at the Federal and local criminal justice systems to see how prosecutions against drug traffickers can be improved. Federal prosecutors should provide the leadership to pursue major traffickers.

Before we call our first panel of witnesses, I invite my colleagues to make opening statements.

Mr. Rangel?

Mr. **Rangel**. Thank you, Mr. Chairman.

Let me take this opportunity to thank our witnesses for coming forward.

It is tragic that this subject matter is so unpopular that somehow it does not warrant the attention that is given to so many other areas. But the question I think remains, and the record is perfectly clear, that not since the Nixon administration have we seen any attention given to our foreign policy or to our law enforcement efforts, both on the local and Federal level with regard to this issue. The State Department puts this issue on the back burner and now, as we go into a very complex budget situation, it is becoming abundantly clear that the resources that are needed to fight narcotic abuse are going to be limited. I think it is time for law enforcement and rehabilitation centers around the country to come together and try to develop a cost-effective strategy. It is not cost saving to tie up our courts with narcotic cases and it is not cost saving to be looking at a generation of young people that are not going to be productive because not only are they addicted but they are also dependent on some type of private or public assistance for the rest of their lives.

Many of us sitting here have been with you in that struggle. It is not a question of crying wolf. We have talked with people in the White House, we have talked with Cabinet members, we have talked with those in charge of the FBI, DEA, and the problem is worse now than it has ever been.

When you do not admit to having a problem, it makes it a lot worse to solve it. So we may not get the answers in the testimony today but I hope the record is clear that this committee will be reaching out to you to try to develop a national strategy to focus attention on the problem and work together as a team to get a handle on it.

Thank you.

Mr. ZEFERETTI. Mr. Scheuer?

Mr. SCHEUER. Thank you very much.

After that magnificent statement of Congressman Rangel's, there is very little to say on the subject. I feel it covered the area brilliantly.

I wish to also welcome the three witnesses, two old valuable and cherished friends, Bob Morgenthau and Sterling Johnson.

In order to get on with the work of the day, I ask unanimous consent to file my also very brilliant statement for the record so we can hear the witnesses.

Mr. ZEFERETTI. Without objection, we will do that.

Mr. SCHEUER. I hope the gentleman won't object and I hope you will express gratitude for what I felt was a gesture of outstanding Judeo-Christian decency to give everybody in the chamber a chance.

PREPARED STATEMENT OF HON. JAMES H. SCHEUER

I thank the Chairman for affording us this opportunity to explore the potentially disastrous impact that the Administration's so-called drug enforcement policy will have on New York.

New York is the major gateway for heroin trafficking in the United States. Since 1979, our city has been reeling under the weight of what can only be described as a heroin epidemic. All the indicators of heroin activity—narcotics-related deaths, emergency room episodes, arrests and admissions to drug treatment centers—continue to skyrocket. Responsible law enforcement officials all agree that most street crime, from burglary to assaults and murder, can be traced to drug trafficking.

Just to cite one example, drug-related deaths—due mostly to herion overdoses—increased 117 percent in New York City between 1978 and 1980.

One would expect that an Administration that talks tough about crime and law enforcement would be solidly behind a comprehensive drug enforcement plan, implemented through strong leadership and backed by the necessary muscle to carry it out sucessfully.

Certainly that is what the Congress expects. The Drug Abuse Prevention, Treatment and Rehabilitation Act of 1972 as amended in 1980 mandates that the President shall establish a system of developing recommendations for Federal drug abuse functions and shall designate a single individual to coordinate the implementation of these recommendations.

Instead of a comprehensive plan and aggressive leadership, we have confusion.

Instead of resources we have reductions.

Instead of persistent pressure we have sporadic and inconsistent efforts.

The Administration has submitted a budget which imposes draconian reductions on some of the most crucial elements of any drug control strategy.

From the record established thus far, an impartial observer might conclude that the Administration intends to do all in its power to hamper the drug control effort in New York. The Administration is meeting increased drug trafficking in New York by cutting 156 inspectors and nearly 30 patrol officers. Nationwide, the Administration is eliminating more than 1200 inspectors and 100 patrol officers. Surely this is the first time a war on crime is being fought by reducing the size of the army on the front lines.

The Reagan Administration is also shifting personnel and resources from New York to the Vice President's Task Force on Crime in South Florida.

While I certainly do not mean to suggest any lessening of the effort at combatting Florida's marihuana and cocaine problems, I am convinced that this shift in emphasis will make a bad situation in New York even worse.

Moving half the Coast Guard cutters currently assigned to New York and further reducing the number of investigatory personnel here will not only guarantee that New York will continue to be the preferred port of entry for heroin traffickers, but it may also encourage the marihuana and cocaine pushers from South Florida to take the path of least resistance and move northward to New York.

What is needed is a comprehensive plan that applies pressure evenly in all parts of the country and which is capable of responding to the ebb and flow of international drug trade.

What we have is an Administration policy that lurches uncertainly from crisis to crisis without making a real impact anywhere.

As Chairman Zeferetti has indicated, the Select Committee is charged with developing a coordinated anti-drug effort that involves all levels of the Federal government.

In the absence of other than rhetorical leadership from the Reagan Administration, we will be exercising that role as we delve into the drug enforcement effort in New York.

I look forward to hearing from our distinguished panel as we investigate this serious problem.

Mr. Zeferetti. Our opening panel of witnesses this morning is Robert Morgenthau, district attorney, New York County; Sterling Johnson, special narcotics prosecutor, city of New York; Daniel J. Courtenay, chief of organized crime control, New York City Police Department.

Gentlemen, let me say thank you for taking the time to be with us, you have been in this fight for a long time and have the ability to not only have an impact on crime in general in New York City but for the analogy that you can draw between drug use and crime.

Let me say thank you too for giving us your knowledge, if you will, as to what the needs are, long before this hearing. What we are hoping to accomplish with you today is to get down to the nitty-gritty, if you talk a bit about just exactly what the problem is and how we can best assist you. Not too often do many of us go the source to find out. We find that in Congress there are immediately all experts and immediate experts in all fields. We fail sometimes to reach out to the very people who have the expertise and have the knowledge, who can assist us in this issue.

So I welcome you this morning. I thank you on behalf of the committee for taking the time out of your busy schedules to add to our education. You can proceed in any fashion that you feel comfortable. We have your written statements. They will be made part of the record.

Mr. Morgenthau, why don't you start off? Feel comfortable in any manner you want to proceed.

TESTIMONY OF ROBERT M. MORGENTHAU, DISTRICT ATTORNEY, NEW YORK COUNTY

Mr. Morgenthau. Fine. First I want to thank you gentlemen and the committee for coming up here to hold hearings on this problem, the narcotics problem is a tough, nasty problem that an awful lot of people in public life would like to run away from. So I thank you gentlemen for facing up to it, for recognizing it, and helping us to put the spotlight on what I think is the underlying crime problem in New York City and in all the urban centers throughout the country.

I am not going to read the statement. There are four points I want to make.

On May 2, 1980, Sterling Johnson and I appeared before this committee and said that we saw a crisis looming in the heroin traffic coming into this country. We saw the explosion then. We said we saw it. We said additional resources should be applied, and now we are seeing the results and, unfortunately, there have been no significant increases in the resources made available by the Federal Government or the State or local government really to get this explosion.

All the statistics show it, whether you want to take overdose deaths, serum hepatitis, applications for admission to treatment programs, all the figures, and they are all in our statistics, there is rapid escalation in the use of heroin, the use of cocaine.

The second point I want to make is that it is the underlying crime problem. You look at the people arrested for robbery, other violent crimes, you see 60, 65, 70 percent of those people have prior narcotics arrests.

Often I think the way we should be looking for robbers, instead of trying to after the fact track down a robbery suspect, we should have stakeouts where the drugs are being sold and follow them to where they are going to commit the robberies, because there is no doubt that this is the underlying problem in New York City, narcotics.

As long as we do not deal with this effectively, we are not going to be able to deal really effectively with the crimes of violence in the city.

The third point I want to make is that I think that by and large the cooperation between the Drug Enforcement Administration, New York City Police Department, with our office, with the district attorney's office, with the special prosecutor's office, cooperation with the U.S. Attorneys' Office and Special Prosecutor District Attorney, I think all of that is excellent. I do not fault that cooperation.

I think the people in the Department of Justice understand problems and cooperation is fine but this is not a problem that can be fought with mirrors.

I mean, you can improve all the cooperation in the world, you can have the best cooperation, but we simply are not applying the resources that are necessary to make a dent on this problem.

It is a problem that we cannot deal with locally, we cannot say to the Government of Iran and the Government of Pakistan or Afghanistan, we can't tell them to stop growing opium poppies, that is beyond the power of the State and local law enforcement officials. If we did that we would be prosecuted under the Logan Act. So this is something that is a national responsibility.

Furthermore, the National Government has responsibility, as you know, under the Constitution to assure the domestic tranquility. When you see the kind of violence that we are seeing in our streets, I do not think the Federal Government is living up to its mandate to assure domestic tranquility.

And I think that there simply has to be a further commitment of resources. Now whether that is done by increasing the number of Federal law enforcement officials, both at the investigative stage and U.S. Attorneys' level or by making money available to local law enforcement, as was done until 2 or 3 years ago when the police department, our office, the courts all received substantial moneys through the Law Enforcement Assistance Administration to deal with this problem.

I think maybe we could be more cost effective in the use of those funds. But however it is done, there has to be a significant commitment of money. We have been reading in the papers about the recommissioning of the battleship *New Jersey*. I would say to you, if you would give us one-quarter of the money that is being spent to recommission the battleship *New Jersey*, we could make a significant dent on narcotics traffic in New York City.

TESTIMONY OF STERLING JOHNSON, SPECIAL NARCOTICS PROSECUTOR, NEW YORK CITY

Mr. JOHNSON. Thank you, Mr. Chairman and members of the committee, for inviting me, and also for highlighting this very, very serious and pervasive problem that impacts upon the lives of all of the citizens of New York City.

Some people might think that the narcotics problem is a problem confined to the inner cities, to the harmless, the Bedford-Stuyvesants, South Bronx, but that is not correct, as we all know. As Mr. Morgenthau said, one of the main problems with this problem is the fact that we are not getting the leadership and the resources and the necessary strong commitment from the White House, the administration and we have not had that type of commitment and resources since 1972, when President Nixon was in office.

One of the things that I would like to see done is for this administration to give the type of priority to the drug problem that they are giving to the defense budget.

No matter what happens inside this Nation, no matter what the issue is over the balanced budget, the President is standing steadfast with respect to defense spending. This is the type of commitment we need for the drug problem in this country.

I think it is foolish to have sophisticated bombs and tanks and battleships and nuclear submarines and you are not sure of those who are going to repair these instruments of war and who are going to fly these planes. You need resources. It is a trick with mirrors to think that you can do more with less.

There is no secret that we have a tremendous problem in Florida and resources are being pulled from around the country to deal with that cocaine problem in Florida to the detriment of cities like New York City. We need additional resources in New York City, resources on the local level for police, prosecutors, courts, you also need resources for the Federal law enforcement officials and also the Federal prosecutors. Rhetoric is not enough.

There are so many things that must be done and they must be done at one time, much like the moving parts of an automobile.

Someone once said that 10,000 moving parts in an automobile, all of these moving parts have one purpose, that is to propel that vehicle forward. We need this type of commitment to propel this Government forward.

We have to get the State Department more involved. They must say to these countries that they have treaties with us, that we are not going to uphold our end of any particular treaty until you make sure that the drugs that are coming out of your country and into our shores will cease, or at least they will be controlled.

Law enforcement officials will tell you that 5 percent, they see 5 percent of all the drugs that are aimed for our shores, they have had a successful enforcement year. That figure is more realistically 2 percent, 98 percent of the drugs that are aimed for our shores get through. You can look at all of the addicts in this country, you can estimate the amount of drugs needed to sustain them 7 days a week, 52 weeks a year, and you look at all drugs that are either purchased or seized by law enforcement, and you will find that it is about 1 or 2 percent. This is not a good record.

I think our country is the greatest country in the world and there is no problem that if we put our minds to that we cannot solve; if we want to solve this problem I think we can do it, but it takes the commitment and the resources to do the job.

[The prepared statement of Mr. Morgenthau and Mr. Johnson appears on p. 88.]

TESTIMONY OF DANIEL J. COURTENAY, CHIEF, ORGANIZED CRIME CONTROL, NEW YORK CITY POLICE DEPARTMENT

Mr. Courtenay. Thank you.

Mr. Chairman, being the third speaker and having the three of us talk about the same subject kind of wipes me out. These two gentlemen before me pretty much explained what the problems are and how best they can be resolved.

We in New York City Police, we made approximately 23,000 narcotics arrests last year and seized over 140 pounds of heroin, approximately 200 pounds of cocaine, and probably 7,000 pounds of marihuana. But as Sterling Johnson indicated, the amount that we managed to interdict or intercept is insignificant when you understand that the bulk of it does get through and does reach the consumer or the addict.

For all intents and purposes, I think we are probably worse off than we were some 10 or 15 years ago when we first started in this business as far as narcotics enforcement is seen.

One of our major problems here in the city of course is dealing with the local conditions that are generated because of the narcotics sale, use, and so on.

We have seen a proliferation of locations, situations where low-level narcotics dealers are infesting our parks, playgrounds, our school areas, anyplace where young people hang out. This required us in the last year to add an additional 100 people to our narcotics enforcement effort and concentrate strictly on street level enforcement.

As a result of that, we have taken some very, very drastic action against the young people. We have managed to clean the parks, clean the playgrounds, and places where the young people hang out. Unfortunately, unless this is a continuing and daily routine, the individuals manage to come back, because of the fact that I think the rest of the criminal justice system does not have the ability or resources to deal with the problem as far as incarceration or coming up with a deterrent sufficient to move these people out of the narcotics business.

As far as the cooperation is concerned between all levels of enforcement, we deal with the State police, we deal with the DEA. The task force I think is probably one of the best examples of how three levels of government or three levels of enforcement can get together and do the kind of job that has to be done.

We avail ourselves of all of the Federal resources that are open to us. We avail ourselves of the training facilities that the DEA has, the other resources. It gives us an opportunity to move into major middle-level dealers and do the kind of thing that we should be doing.

As I said, the cooperation we receive from the prosecutors also has been excellent. Without Sterling Johnson's office and the importance it has given to the narcotics problem, I think we would be in serious problems, we would have some serious, serious problems.

I know I have been dealing with narcotics now since 1972 and law enforcement itself obviously cannot do the job. I think we have to lean on or challenge I guess the Federal system to provide the kind of leadership and direction that is so sorely lacking. We must stop narcotics at the source country, there is no other way to stop it.

We have managed to interdict or intercept a very small amount; the stuff gets through. The best way to stop it is at the growing, producing, processing country. I think the Federal Government has the power through economic or political sanctions to force these nations to doing the kinds of things they should be doing, that is to make sure that the host country itself is not a source of supply. There is no way we can interdict this stuff coming in waiting for it to get to our shores. It has to be stopped at the source country.

If you stop the supply, the next issue is to deal with the consumer, educate our young people, let them understand the kind of problem they are facing, the kind of lifestyle they are building for themselves. We have to attack the young person at a very, very early age, in grammar schools, elementary schools and constantly reaffirm and pressure these individuals to recognize the problem that they face.

If we eliminate the source of supply and we deal with the consumer, I think we have someplace to go. But at the present time we seem to be injecting ourselves between the two and it is not effective, obviously.

In addition to that, the conditions in our city now are no better than they were 10 years ago. We had more people in narcotics enforcement, we were making more arrests. We have stricter laws but the situation is just deteriorating and we need a lot of help and it has to come from the Federal system.

[The prepared statement of Mr. Courtenay appears on p. 93.]

Mr. Zeferetti. Thank you very much, gentlemen.

Before you answer any questions, let me just comment in saying that those of us who sit on this committee, which by the way is the only game in town as far as watchdogging the drug problem we find in our Nation, in the world. I might add we have been, over a period of time, involved with the State Department in order for them to recognize the urgency for dealing with the nations who are the producers and those that are profiteering by processing, to deal heavily with them, to discuss treaties, to talk about arrangements tied to aid from our Nation that can impact on the drugs being brought into this country.

All too often we get involved as we did with Pakistan with negotiating a $3 billion economic package and find ourselves without discussing drugs, the production of drugs, what it means to the people of the United States. So we agree with that recommendation that you are making that it is an international problem, it is a State Department problem, it is an administration problem, and we are focusing on that. We are trying to do our best with eradication programs that we put into some of the countries and hopefully we can be successful.

The other area I am concerned with is the criminal justice system overall and the priority that it needs. Again, for all too long a period of time, most of us who have been involved in government and with law enforcement overall have been crying out for the priority that the criminal justice system needs and to treat it as an entity within itself which encompasses all aspects of law enforcement, not just police, not just courts, not just corrections, but to look at it as an entire package that we can enhance that could produce a system that gives equal justice to all people; fast trials, the ability to function without a backlog of cases that require us to plea bargain, which just puts these people back on the street without any kind of resources out there to keep a watchdog over what is going on.

So we join with you in that effort too. One of the things that concerns me right now, neither of you have touched on it at all, is the problem that we are seeing of the policy the city has made and of cleaning up everything that is on the street, whether it is young people in school with regard to smoking marihuana or whether it is the hard cases that we have. I do not know what it has done, Mr. District Attorney, to our caseloads and our ability to react to that in a fashion that we consider to be equitable and in a fashion that we could keep up with.

So I would like some comments as to exactly what that has done in the criminal justice system. Are we seeing more cases, less cases, are we seeing more people turned out on the street, less convictions because of the amounts of arrest?

The cops are doing what they are supposed to do, holding out and clean it up, they are doing that.

What does that create for us? We have a problem of overcrowding in the correctional system, we have a problem of overcrowding on our court calendars. The police are just out there doing their jobs.

I have always said it is great to call for more police on our streets because they are the deterrent and do an effective job. But when we hire 5,000 more policemen to do that kind of a job, we end up with 5,000 more arrests that the rest of the system cannot keep up with. So in this attack on the drugs on the streets, what has been created?

Mr. **Morgenthau**. I think the police are doing what they have to do, that is, they have to attack the street problem. If they do not do that, then you know the whole community is going to be destabilized, you are going to have all kinds of other crime following.

I think the police are doing absolutely what they have to do in attacking street problems. It does put a heavy load on the court system. It does result in cases not being heard within 24 hours, it overloads the precinct where they have to detain prisoners because we do not have any house of detention, for instance, in Manhattan. It is creating problems.

We need more judges in the lower courts, particularly to deal with arraignments processing these cases, because, as you know, the policy has been to take the criminal court judges and lower court judge and put them as acting supreme court judges. So it is creating a problem.

The police, if they had more resources and we had more resources, we could deal with a lot more of these cases because there is still too much. I do not think anybody will disagree that the drug traffic on the streets is still extremely heavy. But I think we are doing what has to be done.

Mr. **Johnson**. Another thing that is occurring because of the arrests, we are giving pleas in certain cases that we normally would not give. The indictments for my office have doubled over the past year without even trying. These are for the serious drug cases.

Delays are being created. Come this time next year or the year after, a person has not been tried because it is in his interest to delay. So he might hire a lawyer who is always on trial, always busy, the case will be adjourned, adjourned, adjourned.

What is going to happen as a practical matter, this person who has a case pending will probably go back out into the marketplace, resume his drug trafficking, and we will probably not put any more enforcement or prosecutorial energies into this particular defendant because he already has a case pending.

What is the sense of spending $10,000, $20,000 on a defendant we have already spent $10,000, $20,000, and once he is convicted he is going to go to jail. He is not going to get any additional time.

The other problem we have with these arrests, we have a rule, what they call 180.80, where a person must be indicted within 72 hours or he will be released on bail. And you have some defendants, with tremendous violent backgrounds, who are not citizens, we cannot get the chemistry report back within 72 hours. He is going to be paroled, back out on the street, he is going to be a fugitive, you are going to have additional problems.

In essence, what you are having is the dog chasing the tail.

Mr. **Courtenay**. I think as local law enforcement obviously we must deal with the needs of the community. It is much more important for parents who have the drug dealer selling individual joints to kids going to school, it is more important to them to have this person taken off the street. They do not understand that we have to deal with it, high-level or middle-level communities.

The community insists that the low-level enforcement is the way to go. To a point we agree. When we say we have a priority for street- or low-level enforcement, that is true. We do have a component within the Narcotics Division and also the task force that deals with the middle- and high-level dealers.

But the emphasis at this time is to deal with street problems. In the last several months we have had some excellent operations. We had an operation called Daddy, funded with $500,000 of New York State moneys. We concentrated on nine specific locations within the city, basically heroin-prone locations with the emphasis on youth. In those nine locations we made I think about 1,500 arrests. These are young people between the ages of 18 and 25.

We had another operation that we dealt strictly with the areas in the vicinity of schools, called that operation 3-R. We came up with some 1,800 arrests within that. That was about a 2- or 3-week operation in the vicinity of schools, not in the schools specifically, but in the area where the children would move back and forth from their homes to the school system.

We found, for example, that 92 percent of those arrested were not students, people who were in the system not attending those schools, but actually dealing junk to the kids going back and forth.

Just 2 weeks ago, during the Easter recess, we felt it would be appropriate to look at the parks again. In the 2 days we arrested some 582 people in the parks, just 2 days' operations within the various parks in Manhattan, which indicates that the problem is a severe one, the numbers are there and we have to get them as they are on the street.

Mr. Zeferetti. Chief, you know the only thing that concerns me with that is that those young people you are picking up as part of that program, once they are back out on the street again because of the plea bargaining and the inability to do this job properly because of lack of resources is almost like a kid boasting "Hey, look at me, I am out." You sort of get that whole new feeling that they can do just about anything that they want.

We are not impacting because we cannot make it tough enough for them; that we can clean them up for 1 day but the impact is not that great that it is making any kind of a dent.

I am not saying it should not be done, don't misunderstand me, but I would just like to see a system or at least put into the system some kind of instrument that would make that kind of an impact possible because there is nothing worse than having that kid picked up, back in the schoolyard the next day to show he is above the law and he can do just about anything he wants to do and get out there any time he wants to sell his wares.

I think that is part of our problem. That is part of the priority we are looking to give you.

On that law that makes it possible for these people to get out, 180.80, that is a State law. I would hope we would get some support to do something with that, in Albany so that you are not hampered and the offices of the district attorney are not hampered in doing their job.

I would hope maybe we could help you by telling our State people that has to be looked at and maybe has to be amended in one way or the other.

Mr. **Johnson**. Any help you can give me on that would be greatly appreciated.

Mr. **Morgenthau**. Under Federal law it is a 10-day rule, you have 10 days to present the case to the grand jury, New York State law is only 72 hours. Now the appellate division has ruled that weekends and holidays are included in that 72 hours.

Mr. **Zeferetti**. I know we did not have it on the Federal level, but shouldn't there be a separate court structure for drug-related cases? Shouldn't we have a separate trial part or arraignment part that lends itself specifically to handling those cases? Would you feel, could that be a help in some way?

Mr. **Morgenthau**. I would like to ask Sterling Johnson to comment on that.

Mr. **Johnson**. Technically we have that in New York City today, but the court administrators have included in to those narcotics parts additional crimes.

I would like to see this, as you suggested, just for narcotics or narcotics being the major crime that we are going to deal with as opposed to everything into one part of the general crimes and then narcotics being a very, very small part of it.

Mr. **Zeferetti**. I am going to ask one more question.

If you had to give me a recommendation for one specific kind of assistance that we on the Federal level can give you to make your job a little easier, other than just saying "Here is dollars," could you just touch on an area that you think we could be helpful in, whether it is legislation, whether it is dollars, whatever programs you might have or working with DEA, FBI, Customs, whatever it might be.

Mr. **Johnson**. One of the things that I think would be very, very important would be if there was some sort of legislation or some sort of message to the administration, be it this administration or a subsequent administration, that any treaty with a foreign country from now on, there should be a proviso that "if you are a source-producing country for drugs, any funds or aid that we give to you will be cut off if you do not do what you are supposed to do."

When you start talking to a person about money, they will get the message, they will get religion and they can do the job. So if we had some sort of assurance that Pakistan would have its aid cut off if they did not do a better job with respect to the export of opium and opium poppies, I think we could get a much better shake in the international arena.

Mr. **Zeferetti**. Mr. Morgenthau?

Mr. **Scheuer**. Can I put a footnote on that?

Mr. **Zeferetti**. Sure.

Mr. **Scheuer**. Sterling, we have that provision in the law, it is in the law, but the problem is there isn't any commitment on the part of the executive branch to make it work. The President regularly certifies that these countries are cooperating. It is sort of an "Alice in Wonderland" statement because everybody knows that they are not cooperating and things go on just the same as if that provision was not in the law.

This is part of the problem, Chief Courtenay, of interdiction at the source. I will get to that later.

I do not want to intrude, but it is almost an impossible problem. We all sympathize with you. If you look at the whole spectrum from growing poppy seed and it being injected into some kid's arm in the South Bronx, the obvious place to stop or to interdict that would be not to grow it or to kill it before it is harvested. The problems are absolutely enormous.

Sterling's comment is just a classic example of the miasma of problems. What he says is logical, it happens to be the current law but it is not working because there is no commitment in Washington to do it.

I yield back.

Mr. **Zeferetti**. Mr. Rangel.

Mr. **Rangel**. Well, I think something can be done about it, my friend, Mr. Scheuer. The problem is that when the administration says they have the cooperation and that they are doing all that they can and that they have a handle on the problem and nobody says anything, then we move on to the next problem. And so, we find committed people looking for something to take back to their constituencies.

So, the Congress beats up on law enforcement, law enforcement beats up on the Congress, but no one gets together and very few people honestly testify as to the degree of the problem.

You can take a look around this courtroom and see the lack of interest we have in the entire city and State. The mayor is not here, the police chief is not here, the audience is sparse, because it is a very, very unpopular type of subject matter and the President can give all the speeches he wants. I have heard nothing from the National Association of Law Enforcement Officers, the National Associations of District Attorneys, the National Association of Police Chiefs. I have heard roaring approval of the rhetoric of the administration on television, on radio in the newspapers, but these people know that although all of the promises have been made, the resources have not been made available for them to do the job they want.

I want to find out whether these groups are satisfied, whether things are better now than they were 2 or 3 years ago and whether or not their job has been made easier by the rhetoric and whether they have the resources to do their job.

It is my understanding that the U.S. attorneys office here, one that you used to head and I used to be a part of—and we will find out later because the U.S. attorney expects to be here—are prosecuting fewer narcotics cases and referring more of these cases to local law enforcement.

Now, you are here. They tell me if you are selling drugs in the city of New York that you really have to have some pretty bad luck to be arrested for selling drugs.

Mr. **Scheuer**. Or you have to be stupid.

Mr. **Rangel**. And if you are arrested and can afford a lawyer, then you have it made except for the yellow sheet.

Now, I see all of these arrests. Do you think I am going to embarrass you chief and ask you what kind of narcotic arrests these 23,000 were? Do you think I am going to ask you how many of them were felonies? Do you think I am going to ask you how many of them were convicted? Do you think I am going to ask you how much time did they serve? No. Because I will be on the phone telling you to clean up a corner and you will arrest these people, I will be calling the chief, your office and you do whatever you have to do and I know they are going to be in someone else's district the next day.

You got the arrest and the community gets nothing, as a whole. And so, I am hoping that we are not trying to test each other's ability to see how much we know about the problem because you are the experts. But, I hope when this meeting breaks that we agree that it is pretty bad no matter what level of government we are working on that we can only get to the roots of the problem when people get together and let them know in Washington and the United Nations for that matter, how serious we think the problem is.

And I do not really—I saw you wince, Mr. Morgenthau, when I mentioned the National District Attorneys Association. I don't even know whether they have one. But, I like to say these things, because if no one disputes it then I guess I am right. But I haven't heard from any of the national groups. Mr. Morgenthau, do you belong to any national group?

Mr. MORGENTHAU. I do belong to the National District Attorneys Association.

Mr. RANGEL. You support the President's fight against narcotics?

Mr. MORGENTHAU. They have not been active. We are having a meeting in Washington in a couple of weeks.

Mr. RANGEL. May I speak to this august body?

Mr. MORGENTHAU. I would like very much to have you, we are going to formulate some policies then. What you are saying about the size of the problem, I would like to add. Last year our office, together with Sterling Johnson's office, filed something over 2,000 indictments for the sale of drugs. About 75, 80 percent of those people were convicted and a substantial number went to State prison. But the problem is in Manhattan alone 2,500 people went to State prison, that was 25 percent of the people going to State prison from the entire State.

So, we are convicting people and sending them to prison. The problem is that the problem is so big. You have 2,000 indictments, this year we are going to have 2,500 indictments but we should be filing 5,000 indictments. My guess is that the two U.S. attorneys offices in New York are probably not filing more then 200 indictments, probably 10 percent of what Sterling Johnson did.

Mr. RANGEL. Let me ask this. If someone is selling drugs, unless they change the law, when they violate the New York State law they also violate the United States Code, the Federal Code, is that so?

Mr. MORGENTHAU. Yes.

Mr. JOHNSON. Yes.

Mr. RANGEL. So, when the U.S. attorney finds out they violated the Federal law, under what Federal law can they turn it over to the States? In other words, do they have the power to say that a person that violated the Federal law as long as there is a local law they don't have to prosecute? And if they do, can you take someone that you arrested and take them over to the marshal's office and ask them to be charged with violating Federal law?

Mr. **Morgenthau**. We could but it is not done. There was a recent study done by a Washington-based research outfit on dual jurisdiction cases showing that a tremendous number of dual jurisdiction cases, not only narcotics, just go down the drain. It is not only narcotics that the Federal Government will decline, they will bring it to the local authorities, sometimes they will take it, sometimes they won't. But the point I am trying to make Congressman Rangel, is we can improve all the coordination we want, we can get everybody—I think the coordination is pretty good, it can also always be better, but unless we have the resources, instead of prosecuting 2,000 cases in New York is it for felonies, we can prosecute 5,000 cases.

Mr. **Rangel**. But how are you going to get the resources? Mr. Morgenthau, there is no question in my mind that tomorrow the President of the United States could have a television press conference that says he has wiped out the problem of narcotics in this country and abroad and I do not know who is going to be standing up saying I think you are wrong.

Mr. **Morgenthau**. I will do it, if you will——

Mr. **Rangel**. So, what I am saying is that we are about to go into a budget process in the Congress. The chairman said this is the only committee—and we are a select committee, without legislative power—that can make recommendations to that budget. The question, the political question is how much clout do you think we have? I mean are we dealing with social security benefits? Are we dealing with student loans? I mean, your groups have constituencies that we haven't heard from. I hope we can find out how we can help organize them so we can mention them by name when we return to Washington.

Mr. **Morgenthau**. I think one of the things we have to do is make people understand the relationship between drug abuse and crime.

Mr. **Rangel**. Exactly.

Mr. **Morgenthau**. There is certainly a constituency concerned about crime but I do not think they are making the connection. I am serious about this, the Federal Government and the Congress are going to appropriate what is it, $600 million initially to put the *New Jersey* back into commission? I would say it is more important to spend $150 million on drug abuse and the prosecution in the drug field, I think it would have much more contribution to the national security.

Mr. **Rangel**. We are setting up a fake White House so the Secret Service can run around and rehearse against assassins.

Mr. **Zeferetti**. Will you yield?

Maybe the only way we are going to get the needed attention as Charlie indicates is if those national organizations cry out loud enough and maybe as a State representative of law enforcement, maybe the noise has to come a little bit louder from here. I say that is what happened in south Florida. There was a tremendous increase in crime, a tremendous increase in violent crime, they saw drugs permeate the entire area; there was a tremendous public outcry; the Vice President then saw fit to create a task force to immediately respond to that particular area. Now, it wasn't a question of providing additional resources and hard dollars for that enforcement effort. What happened was there was a stripping of equipment and personnel from all over the country to make that effort possible and to make that task force operate. It was us, Members of Congress, who included resources in the supplemental budget to allow those agencies to at least have operating expenses for the task force. The administration didn't even give that kind of priority to the task force. We had to do it as Members of Congress.

What I am saying to you is if the administration is only going to respond to a crisis situation and respond heavily, maybe we are not doing our job properly. When I say "we" I mean those of us from this region and those of us from every other region that has a large amount of crime and drug-related crime.

Maybe that is what you are saying, Charlie, but maybe that is the way we can draw the attention and awareness of our need.

Mr. RANGEL. Let's work together after the hearing.

Mr. MORGENTHAU. I am the president of the New York State District Attorneys Association. We do view the drug problem as the No. 1 problem in the entire State, New York City to Buffalo. But I will get after the national association.

Mr. RANGEL. I will work with you.

Mr. ZEFERETTI. We want to work with you, all of you really. We want to make this a team effort. This is not an adversary meeting. Some way we can have a coalescing of effort that could be meaningful. As Charlie indicated, we do want to work with you and make it possible.

Mr. Scheuer.

Mr. SCHEUER. Thank you, Mr. Zeferetti.

I must say it is an extraordinarily frustrating experience for us up here to be facing this problem year after year after year and seeing the problem get greater and the national cognizance of the problem get greater but in terms of the machinery and the resources that we see dedicated to the job, these getting smaller. Thinking back before the election of November 1980, the Presidential election, there were some things that would have been predictable about this administration because their rhetoric was pretty clear. They made it very clear that President Reagan did and candidate Reagan did in his campaign speeches that he wasn't concerned primarily about the poor, his image or focus of concern was not on social programs, he wanted to set the economy right, he wanted to get the Government off our backs, he perceived of Government as the enemy. He was a strong law enforcement advocate.

So, one of the things you might have predicted after he got elected was that social programs and the safety net might be of secondary importance. But you never would have predicted that he would have downgraded law enforcement as he has.

As the problems of drugs, drug-related crime, and violent crime are escalating, the amount and organization of the resources are declining and that the concern and the priority role of law enforcement in the area of violent crime, in the area of drugs, that the President expressed concern, you would have thought that that would be at the very top priority concern. Yet, we have seen resources diminished and we have seen an administration that has blatantly ignored the law so far as their own role in narcotics enforcement is concerned.

I hold here in my hand, if that is a familiar phrase, the text of the Drug Abuse, Prevention, Treatment and Rehabilitation Act of 1972. It says No. 1:

> The President has two functions. No. 1, he shall designate a single officer or employee of the United States to direct the activities of this title.

So, that there would be one officer appointed in the Federal bureaucracy who will provide the leadership for all aspects of the drug problem.

No. 2:

> The President shall direct the development of a comprehensive coordinated long-term Federal strategy for all drug abuse prevention functions and all drug traffic prevention functions and to develop the strategy the President shall establish a strategy council.

Now, the President has not conformed with one; for the year and a third that we have been dealing with him he has not designated any single lead officer in the Federal Government and he has not established a system for developing recommendations with respect to policies and priorities of Federal drug abuse functions.

So, not only in terms of the depletion of resources but even in terms of passively complying with the clear undisputed requirements of the law which Congress passed, in terms of a single Federal officer and the development of a coordinated oversight program, this administration is a lawless administration. They are blatantly ignoring the law. Now, how this could have been predicted on what is a classic law enforcement problem, on a problem that is the most crimogenic characteristic of American society at the present time I fail to understand.

I would have predicted they might not have been so sympathetic to the safety net, to the social programs but they would have come down hard on law enforcement and they would have come down hard on the psychologically debilitating characteristic in our society of drugs permeating our youth society but they haven't.

For the life of me, I can't understand it.

Chief Courtenay, this gets me to your suggestion that we put more emphasis on stopping the cultivation of these mind-altering drugs at the source.

I am sorry my colleague Ben Gilman isn't here. He has been a tremendously contributing member to this committee since the very beginning. A decade ago Ben and I were involved together because we serve on an international task force of this committee and we have for many years; going back a decade, Ben and I began making trips abroad, to Geneva, to meetings of UNFDAC, United Nations Fund for Drug Abuse Control, trying to get the involvement of all of the relevant countries, both the developed countries and developing countries in the work of UNFDAC, trying to get them to increase their miniscule contributions to this pitifully underfunded agency.

The United States was supposedly playing a major role in getting it off the ground, we did propose the creation of UNFDAC. Yet, at the first organizing conference when Ben and I were over there personally meeting with countries to make contributions we got a cable from the White House that the United States was not going to make any contribution at this time. You can imagine the deflating effect and the waves of disappointment and chagrin that this spread throughout the conference.

The international community hasn't gotten its act together because they have so many other things that are more important to them. Most of them over the years have been not victim countries but aggressor countries in the sense that they are growing the stuff. They haven't felt the pinch of it at home. If they have population groups that have been addicted they have been addicted for centuries, it is a part of their lifestyle and their culture.

So, they have never looked upon drug production as something that threatens them, it is only something that threatens America. If America wasn't going to make any contribution to UNFDAC in the early days that sent a signal of our lack of concern. They are perfectly well aware of the lack of concern of this administration from the way this administration has nonenforced the basic requirements of the law.

They know the low priority status that this administration gives drug enforcement. So, why should they get in trouble with their farmers for whom this is by far and away the most important cash crop? So they don't. In our relations with countries, our State Department, whether justifiably or unjustifiably, the drug problem has never been a first priority matter. Take our relations with Turkey; Turkey is a country adjoining Russia. I do not think it is any secret that Turkey has been cooperative with us in terms of some of those big rabbit ears. Turkey provides a listening post for all kinds of activities in the Soviet Union. Now, at one time we had several listening posts. We had Iran; now Iran went. We had Greece, well, we have now a Communist government in Greece, so they are less cooperative. Turkey may be the last available listening post to us nearby or abutting the Soviet Union. Would you think that it is going to be a top priority of the State Department to muffle Turkey on poppy culture at this time?

Well, the fact is that it isn't. The fact is that for years it hasn't been.

So chief, I can only tell you from the vantage point of a guy who has been over there, who has talked to top people in those countries, who was educated in the whole field of interdiction by one of the great drug experts this country has ever known in the international field, John Cusack, and having made many trips with John, many trips with Congressman Ben Gilman, I can tell you that I do not look upon interdiction at the source as a very promising point of attack.

I say that regrettably because as you pointed out it ought to be, by every point of logic it ought to be. But there are so many complications, other factors that are involved, both from the point of view of those producing countries and from the point of view of our own State Department, our own national administration, our own Defense Department, that it just seems there is always something that prevents the problem of mind altering narcotic drugs being a very top priority.

If it can't be a top priority domestically in a law enforcement oriented administration, you can see how little prospect it has of being a top priority item internationally with all of the other competing factors that are there.

So, I would have to ask you gentlemen where in this scheme, where in this whole path from poppyfield to injection in the arm of the kid in the South Bronx are we going to interdict that flow? I have little hope that significant progress will be made in terms of preventing this poisonous stuff from leaving foreign shores. We are going to be working on it because we have to continue working on it.

You told us that we are only intercepting 1, 2, 3 percent at the border when it does come into the country. We look to the law enforcement system to pick it up after it gets in. That doesn't seem to be very hopeful.

After a decade or more of activity in this field I have reluctantly come to the point of view that our only hope is with the kids, turning off that demand spigot.

I have a feeling, I wish you could convince me otherwise, that as long as there is a demand, the supply will be forthcoming, it will be available. We have found that the dollar, the extraordinary order of magnitude of value here, dollars, is such that it corrupts government systems. It breaks down enforcement, it corrupts the police function, the judicial function, the prosecutorial function; but we can't cope with this awful problem by traditional means of law enforcement. We have to simply convince a new generation of Americans that degrading and destroying their bodies with this is something they ought to turn off.

There is some hope that habits can change. Americans have radically altered their diet in the last decade. There has been a significant reduction in the consumption of animal fats and an accompanying reduction in heart and stroke deaths.

So, people are concerned about their health. There has been a significant reduction per capita cigarette consumption. Consumption of cigarettes is rising slightly but nowhere nearly that by which the population is increasing. Per capita consumption is going down, another indication that people are concerned about their health.

So, I ask you where in the spectrum do we intervene? Looking at all of the disappointing histories of total failures, near failures, partial failures, very little in the way of success anywhere, am I correct in thinking, finally, after all these years that perhaps the only hope of intervention is turning off the demand spigot?

Now, that is tough but nothing else has seemed to work. What advice do you have to give us?

Mr. RANGEL. If the gentleman will yield, I would like to take this point while the witnesses are gathering themselves to congratulate you on a very eloquent and concise question which you have just presented.

Mr. SCHEUER. It might not have been eloquent but it was precise.

Mr. JOHNSON. Congressman Scheuer, in the scheme of things, education has its proper place. I am not willing to get the President off the hook, the country off the hook, or other countries off the hook. You must have education, you must have prevention, you must have enforcement, you must have all of these things working together as I said like moving parts of an automobile.

You must have a President who is committed and not just a President who says he is committed. The only thing that this administration has done in the 1½ years it has been in office is to merge the DEA with the FBI. No. 1, and No. 2, to tell Federal enforcement and prosecution and to tell local enforcement and prosecution that they just do more with less. This is simply not acceptable.

So, turning off the demand, it has its place. Interdiction, it has its place. Enforcement, it has its place. You must do all of these things and you must have a commitment and not just say you have a commitment.

Mr. COURTENAY. Congressman, I think you painted a very, very small picture of what the future holds for us.

Going back to 1973, the Federal Government was involved with the treaty with Turkey for crop substitution. I think the amount of money spent was some $36 million.

Mr. SCHEUER. Senator Muskie and I sponsored an amendment to the Foreign Aid Act at that time giving the administration $50 million, they spent less than that.

Mr. COURTENAY. The point I am making is that it was effective for the time. Obviously we didn't watch our southern borders when the Mexicans realized there was a shortage of Turkish heroin and they started to grow. But there is a positive crop eradication going on in Mexico at the present time and that is reducing the availability of the Mexican heroin.

We also see that the Colombian Government now is getting its act together and they are interdicting before that stuff leaves the shores of Colombia en route to Florida. So, there is, however, a limited success to each of these programs, either crop substitution, crop eradication, or some other means of dealing with this problem.

I agree that it seems as though it is an almost insurmountable problem. We have been in law enforcement for a long time and dealing with the problem and we are not getting anywhere. At best, we have held our own. Even now, I can't prove that to you. But the point is there has to be other than law enforcement involved. If we can't stop it at the source crop either with crop substitution or eradication. We have an Air Force that prides itself on being the best in the world and yet we can't stop a plane that comes in at 200 miles an hour, that is 400 feet over the water loaded with cocaine or marihuana. Same thing with the Navy that is the best in the world.

We can't interdict a shrimp boat that is going 10 or 15 knots.

Mr. ZEFERETTI. Can I interrupt you just there because we are doing just that. We have started a whole new program of surveillance. We are using the E-2C, Hawkeye, down in Florida; it can from surface to air interdict that kind of trafficking. We have stopped that type of trafficking from coming in.

As far as using the armed services, we have provided now for posse comitatus to be modified and are using the Navy to assist us. We do not want soldiers and sailors to be policemen, but we are using their equipment, their intelligence, and their personnel to assist us in that effort. I just wanted to make that point and say that it is a move in the right direction.

Mr. JOHNSON. My point is that once it hits our shore we are not going to stop it. That is what I am saying. If we can stop it anywhere before it hits our shore, so much the better.

Mr. **Zeferetti**. We have also started eradication programs in Peru and in other nations, and hopefully having an impact on the demand side here. I think at least that is in motion. We are not giving it all the priority it should have but at least there are programs in motion. To be fair, it is there.

I would just like to ask one more question before you gentlemen leave. I am sure you are aware of the merger taking place between DEA and FBI.

I would like to hear some comments on whether or not you have participated in that, whether or not there has been any communication between these agencies and yourself, whether or not you think it is something that could add to the overall law enforcement effort against drugs.

Mr. **Johnson**. In response to Congressman Rangel's earlier statement about national organizations being vocal on this particular subject, I think the last time we heard from the International Association of Chiefs of Police was about the merger. They were against it. Most professionals in drug enforcement were against the merger. They said there is no merger, there is just a, what is the phrase they used, giving concurrent jurisdiction to the FBI.

I personally was against the merger also. At the present time there have been no cases that anyone can point to to say that this merger is a failure and it is not working out and there are no cases at the present time that the administration can say that the merger is a tremendous success and therefore it should continue.

No, I do not think anyone in local law enforcement was consulted about the merger, with the exception of the fact that we knew it was coming. There just have been no cases. I do not know if the training, cross-training has been completed. I just do not know. It is in a state of suspended animation, I think, right now.

Mr. **Zeferetti**. Has your office, chief, has the police department been notified, working with any kind of cooperative efforts going on at the present time?

Mr. **Courtenay**. No; we are still working through the Drug Enforcement Administration and our joint task force. Looking at it in numbers, we are now committing even on a part-time basis some 7,000 additional investigators added to the force of the Drug Enforcement Administration to deal with narcotics problems.

That would give us perhaps a little more muscle at least on a Federal level as far as fugitives, financial investigations, deep organized crime connections, and so on. So whereas——

Mr. **Zeferetti**. Are you talking FBI agents, 7,000?

Mr. **Courtenay**. I have to—that is the number I had.

Mr. **Carpentier**. From where?

Mr. **Courtenay**. I do not know where I got it. Whatever number it is added to the drug enforcement component.

Mr. **Zeferetti**. In New York.

Mr. **Courtenay**. No, no; I am talking about nationwide.

Mr. **Zeffertti**. OK.

Mr. **Courtenay**. When we lose a man, a fugitive, he does not wait for us in Queens or Brooklyn, he takes off somewhere. That is added muscle of the FBI to go out and reach this guy, whereas the DEA did not have the resources to deal with that problem.

I have to assume that the FBI will get themselves very deeply involved in financial investigations, RICO statutes, something that we have not really gotten ourselves deeply involved in heretofore. But I look on it as a positive approach. I have no problems with it at all.

Mr. ZEFERETTI. You have not had any real communication at this point in terms of sharing information, whether the task force itself is operating under the reorganization, whether it is going after organized crime or going after every other entrepreneur out there with a bag full of money that is operating.

Mr. COURTENAY. I know that our task force, of which I am one of the coordinators, is not dealing with the FBI directly. Any relations with the FBI would be dealt with through the Drug Enforcement Administration here within the city.

Mr. ZEFERETTI. Do you not think they should be part of that task force so that there is a intelligence sharing and continuity rather than two separate task forces operating under the same——

Mr. RANGEL. Will the gentleman yield?

We support this task force concept. But what happens to people like Zeferetti and me, before we give our total force we ask how is it working in our area? So the case is out for the merger. I am not a professional. They do what they think is best. But we will be coming to you, asking have you felt the support of the FBI in improving our ability to fight crime?

Now, I know you are saying you support the concept but you know we will be coming back asking do you feel their presence and has it helped?

Mr. COURTENAY. I have not felt their presence at this time; no, sir.

Mr. RANGEL. OK.

Mr. ZEFERETTI. Mr. Scheuer?

Mr. SCHEUER. Just one or two very brief questions.

The New York State Legislature is now considering legislation that would permit State prosecutors to forfeit the assets of narcotics traffickers along the line of the Federal RICO statute which I am sure you are all familiar with.

Do you feel that this legislation will be useful? And do you feel you have the resources to conduct the necessary financial investigations in order to identify where the assets are so that you can attach them?

Mr. JOHNSON. Those are two questions.

No. 1, I do think that this legislation will be very useful. Other jurisdictions have had tremendous success with it.

We have people who have invested in hotels, cars, real property, and if you could——

Mr. SCHEUER. Airplanes?

Mr. JOHNSON. That is right. If you can hit them in the pocketbook, you can really do something about it.

Now we have a law on the books, good forfeiture law, being burdened down with the numbers of criminal cases that we have. I doubt, unless the State legislature gives additional resources to the prosecutors, or whoever is going to forfeit these particular assets of the drug peddlers, it will be difficult, if not impossible, to make this law effective.

So you have to do more than just say "Here is a law," you have to give us the tools and resources to implement this law. I am for forfeiture statutes. I think it is a tremendous idea. It is something that would be a tremendous blow to drug traffickers. And I do not think it should be limited to drug traffickers.

Mr. **Morgenthau**. As far as—we do have a forfeiture law now that you can use.

Mr. **Johnson**. But it is not used that often.

Mr. **Morgenthau**. It is available, on the books.

Mr. **Johnson**. Yes.

Mr. **Morgenthau**. As far as the State RICO statute, we have one—this does not involve drugs—we have one case now where we are using the Federal RICO statute on the civil side of it in the Federal court and it seems to be that we have a good chance of prevailing in that case. It is before Judge Sofaer in the U.S. District Court. We expect that that case, if it is successful, we will try a number more. So I do not know that we need a new State RICO statute. We find we can use the Federal statute in the Federal court, we are going to continue to do that, depending on how Judge Sofaer decides that case.

Mr. **Scheuer**. The Attorney General has directed that U.S. attorneys set up what he calls law enforcement coordinating committees to involve the whole spectrum of local enforcement and prosecutorial agencies.

Mr. Morgenthau, do all of you or any of you want to express a view on whether this is a workable formula and whether, as a practical matter, it can move things ahead.

Mr. **Morgenthau**. I think the cooperation among law enforcement agencies is generally good. I mean you have problems from time to time. If you have people who have charges they are going to get in each other's way now and then. By and large, the cooperation is good.

I started out by stating this is not a problem you can do with mirrors. I view that as the mirror deal. By saying we are going to coordinate better, that is not going to do the trick. I do not know—Federal narcotics agencies, DEA—is it 150?

Mr. **Johnson**. They have a ceiling of about 200 and they must have 150 on board.

Mr. **Morgenthau**. Talking about the U.S.S. *New Jersey*, that is a corporal's guard. In the major, largest port of importation in the country—we are fighting it out with Miami now—but you have 150 Federal agents. That is just not enough to do the job.

So we can coordinate better, have more meetings, but we are just not—I do not think it is what you gentlemen want to hear, but that is just not enough. We can do a lot of things with coordination, but if we have 150 Federal agents for the entire metropolitan area, that is just not going to do the job.

Mr. **Zeferetti**. That is exactly what we want to hear because that is what we are here for. We do not want to start building areas of bureaucracy that every time you want to do something you have to have a meeting to find out who is going to respond to it. So we welcome that kind of comment.

Mr. **Morgenthau**. I have one small suggestion that might be helpful in increasing the knowledge of the problem.

Several years ago we talked to the National Institute on Drug Abuse, I had conversations with Mr. Rangel about this, I think it would be extremely important—and this costs very little money—to fund the taking of urine samples and urinalysis of everybody arrested for a felony say in New York County.

In that way you would know from day to day, week to week, what the drug abuse problem was in a major metropolitan area. Because we do a certain amount of speculating, we say things are getting worse, things are getting better from time to time; if you do that you would know on a continuing basis, is 50 percent of the people involved with robbery on drugs, is it 75 percent, and so on. I think that could be done for a couple of hundred thousand dollars.

We had conversations with NIDA several years ago, Congressman Rangel was very helpful. But then their funding got cut off. I think if we could do that, when we meet here a year from now we could tell you whether things are getting better or worse.

Mr. **Zeferetti**. We are having problems right now getting the funding necessary to have the same kind of urinalysis examinations in our military because we found out many of our young people in the military are involved with drugs. We have to allocate and appropriate the kinds of dollars that make it possible for those commands to do just that. So we welcome the suggestion but, again, it is a question of having the priority, getting the dollars out of the administration's budget to fund these recommendations.

Mr. **Morgenthau**. That would cost one-half of 1 percent of the cost of recommissioning the *New Jersey*.

Mr. **Zeferetti**. May I at this time welcome my colleague, Congressman Bill Green, who is not a member of the committee but is so concerned with this problem that he has taken the time to join with us.

Bill, I welcome you and offer you whatever time you need to ask questions or make a statement.

Mr. **Green**. Thank you very much, Mr. Chairman.

I am sorry I am late. I am sure my chairman will agree it was for a good cause, because I was at a celebration for Italian Heritage and Cultural Week.

Mr. Chairman, I want to commend you and the other members of your committee for holding this hearing today and thank you for inviting me to participate. I am particularly pleased to join you and my other colleagues from New York, Congressman Charles Rangel and Congressman Ben Gilman, who are members of this committee.

The sale and use of illegal drugs continues to be a serious problem in New York City. Few doubt the connection between illegal drugs and many of the crimes that plague our city. The social and economic costs of drug abuse to New York City are high and, in certain areas, illegal drugs seem to represent a significant part of the economy.

Just a short distance from where we are sitting there is an area, which is part of my congressional district, where the sale of hard drugs is flourishing. One needs only to drive through this area to realize the important role of drugs. Recently, at my urging, the New York City Police Department increased manpower in this area. Despite such efforts by local and Federal agencies in this and other areas, success in combating drug sales and abuse have been limited.

There is an important Federal role in the control of illegal drugs. This responsibility involves several Federal agencies performing various functions in the war against drugs. I believe this undertaking requires that additional authority be given Federal authorities. For this reason, I cosponsored legislation to reduce trafficking in illegal drugs by placing certain controls on the transport of large amounts of cash.

Presently, drug smugglers are often able to take drug money in and out of the United States virtually undetected. When I was ranking minority member of the House Banking Committee's Oversight Subcommittee, I was successful in getting a number of Federal agencies to step up their enforcement of the Bank Secrecy Act, which requires the reporting of large currency transactions with the result that criminal investigations, arrests of drug traffickers, and seizure of cash—often in the millions—have increased substantially. These efforts are not enough, however, and in the past I have supported increased funding for the Drug Enforcement Administration, FBI, and Coast Guard, agencies which are all involved in drug enforcement activities and will, incidentally, be testifying today.

We face a unique problem here in New York City. Not only do we have a great deal of drug dealing and usage, but we are also the port of entry for large amounts of illegal drugs, particularly heroin. According to the U.S. Customs Service, about one-half of all the heroin smuggled into the U.S. enters through customs region II, which includes New York City. The J. F. K. Airport and our port areas are where most of the heroin enters.

In order to control this smuggling, we need inspectors to scrutinize incoming cargo and good intelligence in order that our inspectors know where to look. While I am pleased that the drug problem in south Florida is being addressed, I believe we also have a very serious situation here in New York and I am concerned that resources are being transferred from New York to south Florida. Further, reports that the 1983 budget for the Customs Service may mean a decrease in personnel for New York make me uneasy.

It seems to me that, given the seriousness of the problem here in New York and across the United States, and the possibility of reduced resources, there is a need for the public and Members of Congress to insist on effective coordination between the Federal, State, and local agencies involved in drug enforcement. Let me quote from the report of the Attorney General's Task Force on Violent Crime:

> Given the magnitude and worldwide scope of drug traffic and the multitude of Federal, State, and local agencies with concurrent and overlapping jurisdiction, we recommend that the Attorney General and the Administration assure that the implementation of a national drug enforcement strategy be effectively coordinated at all levels of government. It is particularly important that the Federal authorities closely coordinate with State and local law enforcement agencies that have the primary responsibility to investigate drug-related violent crime.

Once again I would like to thank Chairman Zeferetti for allowing me to participate in this hearing today. I commend him for his leadership on this issue.

I would like to ask one question.

I have been very concerned in my district because we have a major drug problem on the lower east side. It appears from the license plates of the cars coming in to make purchases that this area is not just serving the local folks but it seems to be a place where people are coming from New Jersey and the suburbs to make buys.

We have been working very closely with the police department and with Mr. Johnson's operation to try to see what we could do about that. One of the problems I think we have had is tracking the results when extra effort is made by the law enforcement community.

We have reasonably good results at the criminal court level in terms of identifying those cases that are processed at less than the felony level. But when cases go off into the supreme court, then it seems very hard to track the extent to which a given law enforcement effort is producing results in terms of felony convictions.

I know, Chief, there was some discussion of putting some system in place that could track this better. I was wondering where that stood.

Mr. COURTENAY. We have developed a system of tracking the low level. We do get dispositions on the indictable cases from Sterling Johnson's court and we are tracking them. In other words, I have some papers here to indicate what the dispositions are, not specific cases unfortunately, just numbers.

Mr. GREEN. I guess what concerned me was that at least at one stage of our task force effort it was really very hard to say that the extra police tours that are being provided—and they were being provided in significant number—were, in fact, having a given result in terms of felony convictions, we want to be able to say that one approach as opposed to some other approach was the cost-effective way of trying to attack this problem.

At the time you indicated there was some effort to develop a computerized system.

Mr. COURTENAY. That is still being developed, the computer system. But most of the cases on the lower east side are low level, street level kinds of things which will be adjudicated within the criminal court.

Mr. GREEN. Yes. You did have good statistics there.

Our problem is, the computer system was not in place as to the more serious——

Mr. MORGENTHAU. We do keep accurate figures as to what happens with all felony cases in the supreme court.

Mr. GREEN. Our problem was linking the cases to the specific police effort.

Mr. COURTENAY. To the specific police effort in the specific area.

Mr. GREEN. That is right, and saying this was working and this was not working?

Mr. COURTENAY. Yes.

Mr. GREEN. I thought it was important because obviously, if we are going to use limited resources effectively, we ought to know what works and what doesn't.

Mr. COURTENAY. If I may, things may be effective but may not result in felony convictions. It may have a significant impact on street conditions and still not result in a lot of felony convictions.

Mr. **Green**. Yes. I think this effort to a considerable degree was directed to that. We did recognize it was necessary to go up the line and do other kinds of things, and use other approaches if we are really going to have an impact on the trade as a whole.

Thank you very much.

Mr. **Zeferetti**. Thank you, gentlemen. Thank you again for taking the time to be with us. Hopefully we can work together in the future. We are here to be used. Please feel free to call us if you feel we can be of assistance to you.

Again, thank you so much.

We are going to recess for about 5 minutes to give the reporter a chance to catch his breath and sort out his notes.

[Recess.]

Mr. **Zeferetti**. I would like to at this time welcome to the witness table Edward R. Korman, U.S. attorney, eastern district of New York and Mr. John Martin, U.S. attorney for the southern district of New York.

Gentlemen, thank you for being with us this morning. I have your complete statements and we will make them part of the record. You can proceed in any manner that you feel comfortable.

Mr. Korman, would you like to start first?

Mr. **Korman**. Since this is Mr. Martin's district, he ought to proceed first.

Mr. **Zeferetti**. All right.

TESTIMONY OF JOHN S. MARTIN, JR., U.S. ATTORNEY, SOUTHERN DISTRICT OF NEW YORK

Mr. **Zeferetti**. I don't know why the chair is between the two of you.

Mr. **Korman**. It represents the river.

Mr. **Martin**. The East River means a lot.

Mr. **Zeferetti**. Please proceed in any fashion you wish.

Mr. **Martin**. I have submitted a written statement and I will not read that. I think what I would comment on to some extent responds to some of the questions that I heard listening to the presentation that preceded ours.

Basically, the Federal effort at least in our district is in trying to make major cases against major distribution networks. There are obviously thousands of violations of the narcotics laws that occur in the city of New York every week and a question that arises is, where do you put your effort?

As you know, there is the joint task force that works closely with Sterling Johnson's office. Where we have tried to put the effort is in bringing cases some of which we have outlined in the statement against major distribution networks. It seems to us that Congress has given us very effective tools in the various statutes; 848 statute, the RICO statute and particularly the title III electronics surveillance.

I was an assistant in Bob Morgenthau's office in the early 1960's and the most dramatic change in coming back as U.S. attorney is to see the use of the electronic surveillance and what it can to make major investigations. Those investigations are, however, manpower expensive.

It takes a really full time of one assistant U.S. attorney when you have electronic surveillance in place. The activity has to be reviewed; reports have to be made to the court, extensions will have to be obtained.

But this type of manpower is in our view well worth the effort when you see the results that can be obtained in getting to the distribution network. Basically, we work very closely with DEA, we are in contact with them on a regular basis through the chief of our narcotics unit and we try to coordinate with them. They are the people out on the line. They have to make the cases in the first instance, develop the information that will lead to the probable cause.

But you have to make some judgments as to how you use what everybody has conceded are limited resources. Sometimes we could say to Bruce Jensen of DEA, why don't we go out on the street and make all the 1 ounce buys that we can and prosecute those cases? Sometimes that is not as effective as making a Lofton case, making a Black Sunday case, making a Williams case; when you have to spend a lot of the time to what comes down to maybe 25 or 29 defendants indicted, it is one indictment.

So if you are looking for a statistical basis, the fact we file one indictment is not terribly impressive. We could file, with the same use of manpower, 200 indictments against people who sold an ounce of heroin to an undercover agent. That is the judgment we are making on which we are proceeding.

It is clear that there is—nobody disputes the nature of the problem, and the need for more effort, but this is the way we feel we can best utilize resources that are available to us to deal with this problem.

[The prepared statement of Mr. Martin appears on p. 102.]

TESTIMONY OF EDWARD R. KORMAN, U.S. ATTORNEY, EASTERN DISTRICT OF NEW YORK

Mr. KORMAN. I agree with Mr. Martin completely, and the priorities of our office; they are essentially the same as his.

I would like to put in some perspective in light of some of the questions that Congressman Rangel had put, what our overall Federal resources are? Our office is the fifth largest U.S. attorney's office in terms of population; we have a district of 7½ million people. Our office or district includes three of the five counties of the city of New York; Nassau, Suffolk County, and the airports. We have a total of 75 lawyers, of whom 20 or so just represent the Government in all of its civil business.

So we have a staff of essentially 55 lawyers to enforce all of the Federal laws in the district. I am talking from the perspective of the U.S. attorney who has not had his staff decreased in any significant way, whose staff if anything has been increased by about 10 percent over the last 4 years.

So it is not a question of having been affected in any way by administration policy. It is just inherent limitations on the size of the Federal enforcement presence in any district. To give a comparison, the Brooklyn District Attorney's Office, which is only one of the five district attorneys offices in our district, has something between 300 to 350 assistant district attorneys. Four of the five district attorneys offices in our district have at least doubled if not tripled the size of assistants that we have to devote to all of the criminal laws, not just narcotics.

So those figures and the fact that there is concurrent jurisdiction, that is every narcotics case that could be prosecuted in Federal court could be prosecuted in State court and I am pretty certain the same holds true in reverse, if we were to not husband our resources in the manner that John Martin has described, if we were to get into street sales and not try and limit ourselves to those particular areas in which we could make a contribution where the State may be limited either because their law enforcement jurisdiction does not extend beyond the boundaries of the county or the city of New York because of State rules which make it difficult to obtain convictions based on co-conspirator testimony and because essentially resources that may appear to be very limited, let's say 150 DEA agents in New York City, in the appropriate case can become an unlimited network with a worldwide presence that one could call on for assistance.

So that essentially what we have both been engaged in is a kind of intelligent marshaling of our resources in a way that can yield the best results and in a way that would not squander them.

Mr. Zeferetti. Thank you. One question that comes to mind immediately is that when you have this tremendous load of cases, how do you separate between State and Federal, how do you make the separation? Is it a separation based on quantity? Is it a separation based on who the person is? How do you make that separation by sending *x* amount to State court and "We will prosecute the rest"? I am not a lawyer, so you have to bear with me a bit. I don't know how you make that kind of differentiation.

Mr. Rangel. Lawyers don't understand it either.

Mr. Korman. New York I don't think—it is basically a kind of a commonsense judgment. This does not only include narcotics cases, this applies across the board because we have to make the same decision in every area we run into, we run into the same disparity in resources.

You ask, is this the kind of a case that we can, for a variety of reasons, do a better job than the locals, not because we are better, more competent assistants, but because of the nature of the case, the nature of the problem. Is it a case that has international ramifications; will we have to call on the State Department to intervene overseas; will we have to deal with the Italian police, for example? Is it a case that involves relying on co-conspirator testimony.

Some of the most significant narcotics conspiracy cases that we have made on an international level have been conspiracy cases in which there was not an ounce of drug on the table, where we have had to persuade a jury to convict in large measure based on the testimony of accomplices. Those type of cases might pose greater difficulty in New York State, which has a substantial corroboration rule with respect to accomplice testimony.

To a certain extent, the nature and size of the case and the amount of drugs involved is another factor that we take into account. Is the case, is it of obvious importance to warrant giving the limited Federal resources available? Basically, it is essentially kind of a commonsense judgment that I think you would all make if you were in our shoes, being faced with the considerations that we are faced with?

Mr. MARTIN. If I may, Mr. Chairman, I think there is some misunderstanding in your question in the sense that it is not that a case comes in and we decide we don't want to take it, send it to the State.

Mr. ZEFERETTI. No, one of my concerns is that because of the caseloads that you have and because of the various jurisdictions that you are working with, that sometimes you are overloaded and somebody is making the determination; well, "We will farm this out and we will keep this here." I am just trying to find out how that determination is made.

Mr. MARTIN. I understand. I don't think that is what happens. What happens generally is, the decision is made at the working level at DEA, after discussion with our offices as to what we should be doing, to investigate certain cases. Generally, once those cases are started in an investigation stage at DEA, they come to either the eastern district or the southern district, whichever is appropriate. The only place where you have an investigation which goes on and then a determination is made whether it should go State or Federal is generally in the joint task force which works most closely with Sterling Johnson's office.

Again, they have guidelines that say that they will go generally to the State unless there is some evidence of an interstate or international character within the case itself that might make it better to have prosecuted on the Federal level. That is the basic way it works out.

So we are not on a day-to-day basis in our office taking in cases and saying, no, we will not take that one; send that to the State, let Bob Morgenthau deal with it. Those are generally rare cases. We take into our cases all the cases brought to us by the investigative agency.

Mr. RANGEL. Mr. Chairman, I thought it worked a little differently. I thought that Federal agents knew what you were in the market for and they didn't bring you what you were not prosecuting. I thought in the New York City Police Department that they would like to enforce every law in the book but they know what the DA is taking this week and they don't bring in what they are not pushing.

Now, are you saying that if we were to bring you more of these cases that you would take a look at them and then make your judgments as to whether or not they should prosecute? In other words, you are not turning them away because DEA is not bringing them or no one else for that matter.

If we were to see that these cases be brought to the U.S. attorney's office, then what would your decision be?

Mr. MARTIN. Well, I think there are two answers to that. In the first instance, we are there and we take what DEA brings to us to a large extent. They make determinations what they are going to investigate. Obviously, if somebody was to come to us and say, "Look, we are going to devote the entire New York City Police Department to doing narcotics work and we would like you to take all of those cases."

Mr. **Rangel**. That would be stupid.

Mr. **Martin**. There is no way we could do it.

Mr. **Rangel**. No, but that would be dumb for them to do that. But if they were to say, we are working on some serious narcotics cases, and we know that you have a high criteria and would like to take some into the marshal's office there to get them arraigned and indicted. In other words, you don't make the daily decision because someone believes that they know what that decision is going to be?

Mr. **Martin**. Among other things there are guidelines that operate with the joint task force as to where the cases will go jurisdictionally, for example.

Mr. **Rangel**. OK.

Mr. **Zeferetti**. To follow up a little bit, aren't you part of that task force also; don't you make that determination as part of that task force?

Mr. **Martin**. The joint task force is DEA-Police Department Task Force. When that was set up, there were guidelines set up as a result of discussions between all the various offices that would indicate how the cases should proceed.

Mr. **Korman**. I just want to add one thing. I didn't mean to oversimplify it. DEA, as an agency is part of the Justice Department, has to make its own determinations in the same way we do. If we have 150, 200 agents in the city of New York, just as we have, they have to say we have these 200, there are 22,000 police, there are 23,000 Nassau County police, *x* number of local law enforcement resources available; how can we best use our limited resources? I think there is obviously a certain amount of consultation.

I think you are right if they came to us with the kind of cases that we thought from our own perspective would be a problem, then we would tell them and ultimately if they were, you know——

Mr. **Rangel**. It is a joint decision?

Mr. **Korman**. That's right.

Mr. **Rangel**. Whether it is spelled out in writing it is not important.

Mr. **Zeferetti**. Let me continue with something we asked Mr. Johnson and Mr. Morgenthau. That is, we have had no success, or it seems like we have had no success with a special court for narcotics cases. Can you touch on that a little bit? Is there a reason for that? Did we do something wrong? Is there still a need for it? Do you think we could go through some of these cases and really activate a system?

Mr. **Korman**. I would think that having a special court has the advantage of indicating that these cases are priority cases and that the judiciary should treat them in that way. But I am not certain myself how effectively that is operating on the State level. I am not enough of an expert.

Mr. **Zeferetti**. If we are talking about making an impact, maybe we have to talk about it as being a priority item, because all too often we talk about it, but we don't give the kind of priority it needs. I am a great one for enhancing the criminal justice system in any way I can.

Because of the impact that drugs have on crime and on violent crime, maybe those cases should be adjudicated in a special court.

Mr. **Korman**. That may be, but just to comment on that in somewhat of a broader perspective, I think Congressman Scheuer in part of his comments earlier, really hit upon another very critical aspect of this problem. That is, until the stuff is interdicted at its source, I think the best we can do in terms of domestic law enforcement is a kind of "holding our own," as the police chief put it. I think if you doubled the resources on the Federal and State level that you devoted to narcotics and there were no improvements in interdicting the stuff at the source; Afghanistan, Iran, and Pakistan, where it is made into the morphine base in Lebanon, then moved to Sicily and transported to the United States, if we don't reach it back there in an effective way, even doubling or tripling all resources is not going to solve the problem.

They will have an impact; more cases will be made, more people will go to jail; maybe it won't be quite so bad. But if we are talking about really a solution to the problem, I think it is never going to come just from a domestic law enforcement commitment.

Mr. **Zeferetti**. I can only say to you that I don't disagree with your statement but it is only one aspect of an overall problem. As long as you have got the kind of moneys that are involved with a narcotics operation, you are going to find people reaching in from all over. Unless we make the public aware of what is going on and spend those dollars in that effort, whether it be law enforcement, which by itself can't do the job; just throwing money at it can't do the job.

We have to talk about treatment, we have to talk about reducing demand, we have to talk about interdiction of supply—that has to be an integral part of what we do. You are absolutely right that other end as far as State Department involvement is part of all that. It is a question of trying to get a cohesive program and strategy forward so we can make an impact.

Let's not kid anybody, we are not going to create any kind of panacea for the eradication of this problem in the world. But if we can make a dent, if we can create the programs that will have an impact, whether it be in your end or law enforcement on the street or whether it be taking care of a problem of interdiction before it gets here, that is all part and parcel of what we are trying to do.

So again, our job, our mission really is to find from you what tools you think you need, how we best can accommodate the effort going forward and if in fact there is a priority that is necessary, how we can best apply our talents to get people to listen, whether it is this administration or the one that follows or the one, unfortunately, even the one that was before us that didn't address this issue sufficiently.

What we are trying to do is trying to get from you a sense, a feeling of what you think is necessary, what you need. We want to play a part in that. So I agree with some of your statements. We, however, want to be able to add to that.

Mr. **Martin**. I think that one downside of having special courts is that you are then limited to those courts. We have the full availability of the full Federal bench here in the city. Obviously, that is within the context of other crimes, other problems that exist. Sometimes the place to put the resources at the initial level is within the confines of the investigative agency and then to support that when they develop cases that cannot be handled with more prosecutors and more judges for the court to which those cases are going.

But I think it is better to do it within the framework of the existing court system.

Mr. **Zeferetti**. Could I just ask you: We have some Federal legislation that is being proposed right now, one on forfeiture, which will expand the forfeiture provisions. The other one is a bail reform which would give the judge a little bit more authority than just looking at whether or not this individual is going to return or be available for trial. It will go a little bit beyond to whether he is a threat to the community, whether he is a threat to a witness or individual.

I would like to get some comments, how you feel about that kind of legislation.

Mr. **Martin**. I would fully support the bail reform legislation. I think the history of major narcotics dealers shows that they are the most likely to flee; the amounts of money are rarely an object for these individuals and having a statute that says that you don't have to look at the likelihood of roots in the community, we think in this case there shouldn't be bail, would be appropriate.

Mr. **Korman**. I think as a practical matter in narcotics cases, most judges right now understand that people who traffic in narcotics, drugs, are poor bail risks and the bails that are set are set usually at such a high level that most of them stay in. To the extent that judges don't do that, it is more a reflection of their personal philosophy about setting bail.

Occasionally we lose people who are released on bails which are too low. But I am not sure that even if the Bail Reform Act were amended that it would have a substantial impact on judges of that kind who simply, as a philosophical matter, are opposed to it.

Mr. **Zeferetti**. Not only in drug cases, but other crime-related cases where you have a problem of an individual who could be a threat to society, who could have a danger to a witness that might be forthcoming. Again, I think it is something that goes just beyond drugs but I think the value of that is something that I think you people can lend support for us, if in fact you feel that way.

Mr. **Martin**. I also support the forfeiture provisions. We are just starting to have some experience with them. They are very worthwhile. They can result in seizure of substantial amounts of money from these people. But obviously any type, as Sterling Johnson indicated, I think, that becomes in the world one of the priorities, we do this in company with criminal prosecutions, we have just set up, it hasn't started working, we are just starting it now, a system whereby a civil division assistant will be assigned at an early stage in a major or narcotics case to aid in the forfeiture proceedings that will then follow the conviction.

But as Sterling said, you have got to—it is always going to be a matter of some degree of priority. Where are you going to put your resources? The first priority sometimes is criminal prosecution when you are dealing with a major dealer and the second priority is the forfeiture.

Mr. **Zeferetti**. Mr. Rangel.

Mr. **Rangel**. Thank you.

That is what bothers me, the priority; not as it relates to the judgment of the U.S. attorneys, because you are managers and you do the best with what you have. But as a Member of Congress, it would bother me to believe that I am debating and hammering out a law that ultimately may never be enforced by the administration or executed.

Now if you were to say that you would like to enforce as many Federal laws as practical with what you have to work with, I couldn't argue with you. But when Mr. Korman says, you know "If you really want to tackle the problem, go to Pakistan"; I am not a legislator in Pakistan, I am a legislator in trying to deal with the Federal laws. I am trying to see how we can give you more resources so that you don't have to tell me that you are not going to prosecute a case off Lenox Avenue unless I can tie it up with something international.

Mr. **Martin**. I don't think we have ever said that.

Mr. **Rangel**. No, but 10, 20 years ago we had DEA and the Bureau of Narcotics and Dangerous Drugs on the street, they were there. You could negotiate who was going to get the case. But they didn't fall between the cracks. That is what is happening now.

Mr. **Martin**. I still somewhat disagree. I think a case like *Black Sunday,* that group got its name, saying it is going to be a Black Sunday in Harlem when they are not around to provide narcotics. Those are local distribution cases of major proportion which I think are significant. I agree with you, however, that I could not say that we have—no prosecutor has said—the resources to prosecute every Federal crime committed within his district.

Indeed, the scope of Federal law enforcement in various areas has changed dramatically since the time I was an assistant, very shortly after you in the early sixties. When I was an assistant U.S. attorney we cut our teeth on cases involving theft from interstate shipment, people who stole a suitcase at the Port Authority Bus Terminal, people who stole a package from the Railway Express Yards.

Those cases simply are not being prosecuted in the Federal court. Not because I have assistants who say, I am going to take them, but because the whole Federal law enforcement effort has changed.

Mr. **Rangel**. What are you prosecuting today in terms of rough percentages, what are you prosecuting?

Mr. **Martin**. We are prosecuting organized crime, prosecuting narcotics, we are prosecuting securities, commodities fraud. Commodities fraud is a terrible problem.

Mr. **Rangel**. What is the rough percentage of the cases that you indict that are narcotics related, just roughly?

Mr. **Martin**. I think—last year we had, for example, some roughly 900 indictments; of those, 120 were narcotics.

Mr. **Rangel**. Mr. Korman?

Mr. **Korman**. I would say at least on the most conservative estimate about one-third of our cases, if not more, are narcotics related.

Mr. **Rangel**. I am pleasantly surprised. I heard it was substantially lower in terms of narcotics cases.

Mr. **Korman**. I will be happy to get the actual figures for you.

Mr. **Rangel**. I really wish you would. And any further questions by me at this time would make it appear for the record that we are on different sides.

But right now the only thing my constituents ask me "And what is the U.S. attorney's office doing about it?" "What is the Drug Enforcement Administration doing about it?"

This committee is committed to making certain that the Federal Government's commitment is locked into place. Thank you, Mr. Chairman.

Mr. **Zeferetti**. Thank you.

Mr. Gilman.

Mr. **Gilman**. Thank you, Mr. Chairman. I regretted that a prior commitment at the U.N. prevented me from being here earlier. I certainly welcome the opportunity of having some input with regard to this portion of the hearing. I want to commend you for bringing our committee to the Manhattan area once again to review where we have been and where we are going.

Gentlemen, in a prior hearing by this committee back in May of 1980, we made some recommendations and I assume you are probably familiar with that report, Select Committee recommended that a coordinating council which should consist of representatives of Federal, State, and local law enforcement agencies and the offices of the U.S. attorney, southern district and eastern district, and the special narcotics prosecutor come together and develop a strategy for the metropolitan area, targeting major narcotics traffickers and trying to work in a more coordinated effort.

Has that been followed, has there been a coordinating council? Have you been working together in developing a Metropolitan strategy? I address that to both of you.

Mr. **Martin**. Well, I think there has not been a formal council in existence. As somebody mentioned before, we are in the process of working and setting up law enforcement coordinating committees. We do, however, have a very close liaison with the Drug Enforcement Administration——

Mr. **Gilman**. I am not talking about liaison. I am talking about a formal structure, there has been no coordinating council.

Mr. **Martin**. That's right.

Mr. **Gilman**. And you still don't have a law enforcement coordinating committee that has been mandated by the attorney general?

Mr. **Korman**. Yes.

Mr. **Martin**. We had the first meeting about 2 months ago and are in the process of setting up the subcommittees.

Mr. **Gilman**. Two months ago was your first meeting of that council?

Mr. **Martin**. That's right.

Mr. **Gilman**. Who sits on that council?

Mr. **Martin**. Well, that is a very broad based group of all of the representatives from all of the major Federal law enforcement agencies and representatives from all of the district attorneys' offices, the New York City Police Department, State police and other law enforcement agencies in the community.

Mr. **Gilman**. Who coordinates; who is the head of that council?

Mr. **Martin**. Mr. Korman and I chaired the initial meeting and we set it up initially for both districts. In many States, there is only one U.S. attorney and he has a commitment that really is statewide. Here there was so much overlap within the two districts we thought it more appropriate to set it up on a dual district basis.

Mr. GILMAN. Are there other responsibilities in a coordinating council other than narcotics?

Mr. MARTIN. Oh, absolutely. We are in the process of setting up the subcommittee for narcotics, hopefully one for arson, one for fraud.

Mr. GILMAN. Have you established a narcotics subcommittee?

Mr. MARTIN. It has not yet been established. I recently sent out a communication to all the Members of the committee, asking them to designate those particular areas that they viewed as the most concern to them, so we could identify what people wanted to be on what subcommittees.

Mr. GILMAN. Is there some reason why from May of 1980 until the last 2 months there has not been any coordinating group working on this major problem despite our recommendations, despite the committee's recommendations, despite the prior testimony, despite the fact that it has been a growing and critical problem?

Mr. MARTIN. I think that the only reason, Mr. Chairman, that I can think of is that we felt that it was being coordinated on——

Mr. GILMAN. By whom, who was coordinating at the local level?

Mr. MARTIN. By the working relationships that we have with DEA, with the joint task force.

Mr. GILMAN. Has there been some meetings where you all sit down and plan a regional strategy? Have you been engaged in those kind of meetings?

Mr. MARTIN. We have not been engaged in those type of meetings. We have, however—I met with Sterling Johnson, I meet with Bob Morgenthau.

Mr. GILMAN. I am sure you met periodically with all sorts of heads. I am talking about a formal structure where you sit down and try to plan a long-range strategy instead of just taking the band-aid approach to meet the immediate problem of taking care of this case or that case or transferring a litigator here or there. Has there been any long-range strategy coordination here? Apparently there isn't.

Mr. MARTIN. There has not been, to my knowledge, and I frankly——

Mr. GILMAN. I am frank to say that I can't understand why there hasn't been, if there is such a critical problem. The committee met here and pointed out the lack of planning last time we were here 2 years ago. In all that time, apparently nobody has grasped the need to bring everyone together to try to undertake a long-range program.

Mr. MARTIN. I am not sure I agree with you that there has not been a long-range planning or an attempt to understand what the problem is.

Mr. GILMAN. If there is, I would hope you would tell us.

Mr. MARTIN. We have had several meetings with not only Mr. Korman and I, but the assistant attorney general in charge of the criminal division, with DEA, to examine the overall problem on the basis of the best intelligence available to the DEA.

Mr. **Gilman**. Was that meeting recent; was that a recent meeting?

Mr. **Martin**. There was one approximately 3 months ago.

Mr. **Gilman**. At that meeting did you outline some strategy or undertake some long-range plans or just discuss some of the immediate problems that you had?

Mr. **Martin**. I think we were discussing the immediate problems, we were discussing the fact that the best way to try to get into these organizations was by more use of title III electronic surveillance, which we have undertaken.

Mr. **Gilman**. Do you have anything to add, Mr. Korman?

Mr. **Korman**. Only that as the speakers before us indicated from—Mr. Morgenthau, Mr. Johnson, and the police representative, I don't think anyone has suggested that the problem has been—to the extent that we face problems, it has been a lack of coordinated strategy or a lack or disagreement in terms of how resources ought to be allocated.

I think Mr. Morgenthau, in response to a similar question I believe from Congressman Zeferetti, suggested there were not great disagreements, there was by and large substantial cooperation, and we are operating, for instance, with some well-thought-out approaches to the problem, given the resources that are available.

Mr. **Gilman**. When did you adopt that well-thought-out approach? That is what I am trying to elicit from you. Has there been some long-range planning, a well-thought-out approach of coordinating all of these resources, trying to establish something that is more than just immediate attention but some long-range programing here?

Mr. **Korman**. You know. I am not quite sure what you mean about long-range planning. I think there is an understanding of what the problem is, how we should allocate our resources, what the State should be doing, what the Federal Government should be doing.

Mr. **Gilman**. When did you have that sort of conference for allocation of resources?

Mr. **Korman**. I think it has evolved over the last 7 or 8 years that there has been the kind of—I have been with the Department of Justice, let me say, for 12 years. When I first started there was no well-thought-out approach as to what law enforcement should be doing at all. Indeed, when I first started as an assistant, I had a caseload that included dozens of bank embezzlement cases where bank tellers were accused of having $200 short on their money. It has been only over the last 7 or 8 years that we have developed any kind of understanding that Federal law enforcement resources are limited, that we have to use them in a way that aids State or local law enforcement authorities and get into things we can make a substantial contribution to in a supplemental way to the basic law enforcement authority in the United States with respect to local prosecutors.

And we work closely with them. We have close personal relationships with them. I don't know from my own personal standpoint that getting—I have found that on occasion getting half a dozen law enforcement people into a room together is often counterproductive than a meeting, let's say, with me and the Brooklyn district attorney to discuss the problems that we have in his county and perhaps meeting with a local district attorney in Suffolk County to discuss the somewhat different problems he may have in his county. To bring us altogether in a room, I have found this often is counterproductive.

Mr. **Gilman**. You don't think there would be any benefit to a regional approach to the narcotics problems in the metropolitan area?

Mr. **Martin**. I think there are always benefits to be gained from close cooperation. The only question is how you go about it.

Let me respond a little further. That is part of the whole process of this joint task force. You do have the State, the city, and local police coming together, sharing intelligence. There is no question that we know what the problem is. There is no question that we have been able to identify and everybody knows where the major narcotics traffickers are.

Mr. **Gilman**. Mr. Martin, I think we all know what the problem is.

One of the major problems, though, has been a lack of long-range planning, the lack of establishing a strategy, the lack of utilizing the available resources effectively. We find from place to place where we attack the problem that there has been no effective coordination of the existing law enforcement people that can do the proper planning and utilization of those plans.

And I would hope that both of you might take a look at our last report of the select committee, when we met here in May of 1980 and made some recommendations then. Apparently very little has changed by the way you are operating in that period of time.

Now, for you to tell us that you are developing a coordinating council and nothing had happened in the 2-year period, frankly leaves me with the thought that very little has been accomplished in that period of time. And while you have effectively taken care of prosecutions in some of the other areas, I am wondering what we are doing about the overall region approach to the problem of trying to limit the supply of heroin in this area.

I would hope you would take a look at that and report back to this committee your thoughts and recommendations of what could be done to more effectively address this problem.

Thank you, Mr. Chairman.

Mr. **Zeferetti**. Mr. Scheuer, do you have anything?

Mr. **Scheuer**. Thank you, Mr. Chairman.

I take it, Mr. Korman, that you have less confidence in the attorney General's law enforcement coordinating committee, you think that is going to produce less than your meeting one on one and getting the resources to do the job?

Mr. **Korman**. I wouldn't, I think it is somewhat of an overstatement. I think they both have their advantages, let me put it that way.

Mr. **Scheuer**. Yes. Let me ask this. You are the U.S. attorney. Under the provisions I hold in my hand, the Drug Abuse Prevention, Treatment and Rehabilitation Act, under those provisions, it requires the President to designate a single officer or employee of the United States to direct the activities required in this title in addition, the President is mandated to establish a system for developing recommendations with respect to policies, objectives and priorities for drug abuse functions and shall coordinate the performance of such functions by Federal departments and agencies.

Now to your knowledge, has the President designated a single officer?

Mr. KORMAN. I am not familiar specifically with the piece of legislation you are reading. I would assume it is the head of the DEA.

Mr. SCHEUER. No, it isn't the DEA. It could be somebody in the White House. Some years back we had some legislation passed sponsored by myself and Senator Muskie that set up a drug office in the White House. It was called SAODAP; S-A-O-D-A-P, the Special Action Office for Drug Abuse Programs. It could be an office in the White House of that kind.

It isn't to be assumed that it would be DEA, even since they merged into the FBI.

Mr. ZEFERETTI. Can I interrupt you just a second. I think to be fair to both the U.S. attorneys, Dr. Carlton Turner was appointed as Senior Policy Adviser for Drug Policy. He was not appointed as the mandated officer having the official capacity to respond for the President, but he was designated as the Drug Policy Adviser for the White House.

Mr. SCHEUER. The point I am trying to get at, Mr. Chairman, is that we have a law on the books that Congress passed and the President signed. It is the law of the United States. It doesn't say anything about policy advisers, it says the President shall designate a single officer or employee of the United States to direct the activities required by this title which call for the establishment of recommendations with respect to policies and priorities and programs on Federal drug abuse functions.

What I am asking is, Has that appointment been made? If it is Dr. Carlton Turner, yes, it has been made. If it isn't Dr. Turner, and he doesn't fill that spot, then the appointment hasn't been made. Which is it?

Mr. MARTIN. The answer is, I have no knowledge.

Mr. SCHEUER. When you want to deal with the top banana in the Federal establishment on any aspect of drug policy formulation, who do you deal with, law enforcement? Who do you deal with?

Mr. MARTIN. Our basic dealings would be with Bud Mullen at DEA or the associate attorney general.

Mr. SCHEUER. So you don't know of any top person who is coordinating, DEA, FBI, and Justice?

Mr. KORMAN. I think under the present structure, the Director of the FBI has the ultimate responsibility over DEA and the Bureau. So he at least may be to that limited extent fulfilling that limited role.

Mr. SCHEUER. You know of no appointment made subsequent to the provisions of this title?

Mr. MARTIN. I don't. I am not even familiar with the title you are talking about, other than what Congressman Zeferetti indicated.

Mr. SCHEUER. Are you aware of what the President has established—has established a system for a process to produce comprehensive recommendations with respect to drug abuse functions and the coordination of all these functions by Federal departments and agencies? Do either of you have any light to shed on that subject?

Mr. **Martin**. I certainly don't. That is not a subject normally within our jurisdictions.

Mr. **Scheuer**. Yes. Well, you must be receiving the signal of utter frustration up here. I suffer from utter frustration of not only seeine the commitment to apply resources, especially law enforcement resources diminishing, with the resources diminishing when the need is escalating.

So I see not only a reduced commitment to supply resources but I see a reduced commitment to supply leadership and brains and drive and creativity to this problem. I, for the life of me, can't understand why the President hasn't assigned—hasn't appointed this top coordinating official and why the process of achieving some kind of comprehensive national policy on drug abuse, why that is not being implemented.

I find it especially disturbing since this is admittedly an administration very committed to tough law enforcement, and a law-and-order approach, as many of us in Congress are. Sometimes absolutely to defy understanding that this administration, that is law enforcement oriented is not only reducing resources but also seems to be absolutely abdicating the leadership that it is called upon by statute, by act of Congress, to provide, at least in providing a single leader in the drug effort and a mandate to create an overall comprehensive Federal strategy, the kind of long-term strategy that Congressman Ben Gilman was talking about a few minutes ago, to rationalize and to best exploit and best take advantage of the pitifully inadequate resources that are available.

If either of you can shed any light on why this administration is abdicating leadership, why it refuses to make the appointment of a top man, why it refuses to create an overall strategy, and why it is reducing law enforcement resources on the most single crimogenic characteristic of American life, that is threatening the very stability and integrity of our urban society, I wish you could enlighten me.

Mr. **Korman**. Let me say as someone who is within the next 90 days, is about to leave this administration because I am not of the same party as the President. I think in all fairness, that the narcotics problem in this country didn't start 16 months ago. It was in a disastrous state when President Reagan took office. I think some efforts——

Mr. **Scheuer**. You are absolutely right.

Mr. **Korman**. I think some efforts have been made to rethink what the appropriate way is to proceed. There has been some thought and a reorganization of the structure of DEA within the Department. The merger of DEA and the FBI. There has been the creation of a cabinet council on legal policy which is designed to achieve and focus the resources of the executive branch on the problem of dealing with the interdiction of drugs at its source, which is a problem that I think you were quite right about in your earlier statement.

The resources of the FBI have been added to the resources of DEA. Now, maybe that decreased the overall resources of the FBI to deal with other problems and that is a separate area, but in terms of the—there has been a net increase in the terms of Federal law enforcement manpower that has been directed to drugs.

So that, I am not here to say that everything is being done in the most perfect way but I think the thrust of your comments was somewhat unfair.

Mr. **Martin**. I really agree with what is said as to the fact through the Department of Justice, it has been focusing on this problem. There was a lot of consideration given to the merger of FBI and DEA.

Just to comment very briefly on that, when Sterling Johnson and Bob Morgenthau, this question as to whether or not people were consulted, I know we were consulted before that happened. There was a task force that went around the country. And I think many of us, including people in my office with long history in narcotics enforcement, strongly objected to any concept of doing away with DEA.

I think that was the view that ultimately prevailed, that DEA was maintained and closer coordination was developed and hopefully a greater participation by the FBI, which in many other areas has run very effective undercover operations, for example, that can be very heavily in the narcotics-related investigations; that there will be greater productivity.

Mr. **Scheuer**. Is there a consensus, then, that at least the manpower capabilty and the expertise of the DEA is being maintained more or less intact and there is an additional overlay of law enforcement manpower from the FBI that is now also focused on the narcotics problem so that my perception that there has been a reduction of law enforcement efforts to narcotics is not justified; there has been an increase, would you say?

Mr. **Korman**. I hate to answer definitively because I don't know what the actual figures are.

Mr. **Scheuer**. If I have been unfair—excuse me. If I have been unfair, I want the record to show it. Maybe I owe DEA an apology.

Mr. **Korman**. I think there has been to the extent FBI resources have been added to those of DEA. Now, I don't know whether DEA's budget has been cut.

Mr. **Zeferetti**. There is no increase in manpower, there is an increase in jurisdiction, and the increase in cooperation between the two agencies and an increase in administrative supervision, but it would not create an increase in DEA's enforcement capabilities other than the fact they would share some intelligence and have some availability of turning, if you would, to a local FBI office that could assist in maybe some wiretap operation.

Our overall problem with that merger is not so much on the local area as it is on an international level and to keep intact, in place, DEA's authority or jurisdiction overseas. FBI could do a great job in assisting. Further, FBI is confronted with multiple jurisdictional responsibilities, that their activities cannot be short changed in other areas.

So we are not talking about an increase in manpower; we are talking about an increase in jurisdiction and administration capabilities. Hopefully, we can give them those additional resources on our level through appropriation procedures that could enhance their capability. But I wouldn't call it an increase in manpower, per se. It is an increase in activity, coalition of effort, maybe, maybe that is a fairer statement.

Mr. **MARTIN**. There has been no overall increase in number of Federal agents through this merger. There is always the capability that FBI can devote more people to narcotics. But as you indicate, that would be in derogation of their effort in some other area.

Mr. **ZEFERETTI**. I had Judge Webster before us in a previous hearing. When we talked about a supplemental budget for his additional responsibilities, his hands went up in the air, too, because there is no indication at this particular time of what really that cost factor is to the FBI. We know it will help, but to what extent we can consider it as being a manpower increase is really limited.

Mr. **KORMAN**. What I meant was, I agree that the resources of the FBI have not increased and to the extent that the FBI devotes its resources to drugs, it is going to detract from its other activities, but that, nevertheless, doesn't negate the fact that there is that much more being devoted to drugs.

Mr. **SCHEUER**. Thank you.

Mr. **ZEFERETTI**. Mr. Green?

Mr. **GREEN**. I would like to turn to another area. Before I moved over to the Appropriations Committee in this Congress I was on the Banking Committee and ranking minority member of the Oversight Subcommittee. We got into the question of the enforcement of the currency control legislation, particularly involving Florida banks and the very large unreported cash flow through those banks which was clearly linked with international drug traffic.

As a result of the hearings which Congressman Minish, of New Jersey, the chairman of that subcommittee and I held, the General Accounting Office did a study of the enforcement of the currency control laws and found that with the exception of very few jurisdictions, this was a largely overlooked area. The regulations were established by the Treasury Department under the legislation but the "first instance" enforcement rested with the bank regulatory agency for whom it wasn't a priority since their main priority was protection of depositors.

When people would walk into a bank with $200,000 and deposit this cash in a noninterest bearing account that was just fine in terms of the stability of the bank, even though the money may have been linked to some illegal transaction. As a result of that General Accounting Office investigation around the country, I think there has been a step-up in enforcement of these laws. Also, there is some feeling in Congress that there are weaknesses in the laws.

I am wondering, do you have the feeling there are the same kind of currency transactions going on in the New York area as have been going on in the Florida area? I do remember there was one major prosecution a couple of years ago in New York, though I don't think drug-related.

Mr. **MARTIN**. There was. There was prosecution in the southern district in the nature of a bank, that really was dissimilar from a drug-related investigation which I can't go into the detail of that investigation because I was defense counsel for the bank, and I came in a very poor second. But I do think that that prosecution had a major deterrent impact, not deterrent in the sense that the banks themselves were purposely violating the act, and banks send out word to the troops that this regulation is to be complied with and then there is no followup.

I think you will find the major banks, as a result of that prosecution, are very sensitive to that particular requirement and there have been good results from that prosecution. We are also looking to see if we can make out those types of violations that we have had some prosecution, nondrug related prosecutions in those cases.

We have been attempting a major investigation in the narcotics setting in that area. So that it is a very important, very effective statute.

Mr. **Green**. As we looked into it, we began to be concerned about a number of areas where additional coverage was needed. One was the suggestion in our hearings that new kinds of financial institutions like money market funds, for example, could be used to launder currency and would not be subject to the kind of investigations and regulation that the banks are, where the people from either the State or Federal banking agencies come in from time to time and audit them.

Do you see that as a problem? Have you looked into that?

Mr. **Martin**. I can't say I have looked into it. I think the one thing that you have found over a long period of time is that the criminal element becomes very sophisticated. You are right if they see one avenue that is open to them, they may well try to move into it.

Mr. **Green**. The other problem was illustrated by a Florida Federal court decision, there was a case where a person got on a plane with an amount of currency that should have been declared. The person did not declare it and then was arrested just before the plane took off. The case was thrown out on the grounds that the law hadn't been violated because the plane hadn't left the country yet so there wasn't an export and the court would not sustain an attempt case.

Mr. **Martin**. Well, unfortunately, I was defense counsel and came in second in a conspiracy case where that exact—actually, they did get out of the country, my client was arrested on his return. So it has been utilized. I think you can make out the conspiracy part of the case.

Mr. **Green**. You think there just wasn't enough ingenuity in picking the right charge?

Mr. **Martin**. Or the right judge.

Mr. **Korman**. There are problems because when Congress writes statutes dealing with these problems and we have had it in the air hijacking area where Congress had to go back and amend the statute to deal with the kind of situation you are talking about, of somebody being arrested, let's say, before they are actually on the plane, to define when you can be guilty of an attempt, I think in that context the broadest possible definition of it would be helpful.

Mr. **Green**. I should just note for the record that Congressman LaFalce from upstate New York has been a leader on the Banking Committee, trying to develop legislation along these lines.

Mr. **Korman**. Indeed, if stock brokerage houses are not covered by the reporting requirements of the Currency Control Act, I definitely think they ought to be.

Mr. **Green**. I think they are covered, the question is whether anyone is looking at them to spot this kind of violation.

Let me turn to a more general philosophical problem in this area. Back in the 1920's, we went through the experience of trying to interdict the importation of what was then a forbidden substance, alcoholic beverages. Alcoholic beverages have a value per cubic volume or per weight much lower than narcotics. We see people willing to take very great risks in terms of importing narcotics because of the very high value when they get to the street in the United States.

I have met with the customs people where they told me about some horrendous things people will do in order to smuggle in narcotics involving tremendous risks with their lives. Given that, is there any real solution to this problem so long as there is a very large public out there willing to use these controlled substances and pay very large sums in order to use them? Is that a situation that law enforcement can cope with?

Mr. **Martin**. I think the answer is on many levels, as we talked about the whole need to stop it at the source. Obviously, as long as there is a large scale source available being imported into the United States there will be people who will take the risk to bring it in, because of the profit. However, I don't think——

Mr. **Green**. Could I turn that around. Maybe the answer is, if there is a large number of people in this country who are willing to pay high prices for a substance, and there is a source and there will be people who will be willing to pay it.

Mr. **Martin**. That may be true, the point I was getting at is I think there is a societal benefit from the law enforcement effort that we can make and obviously we can make more given additional resources in keeping that price high. Sometimes by keeping the price high you do a good deal to stop the spread of it, because it becomes more expensive to the people—it is not the people who are hooked, because once they are hooked, they are hooked. But it is keeping it out from people who are not yet hooked.

Mr. **Green**. Yet this doesn't seem to have stopped the proliferation of use of controlled substances.

Mr. **Martin**. In defining controlled substance we are defining a lot different. We are talking about heroin, primarily, today; cocaine.

Mr. **Green**. OK.

Mr. **Martin**. There is a market for it. All I am suggesting is, if you decrease the law enforcement effort because we can't stop it all, I think you would see the problem go well beyond where it is today.

Mr. **Scheuer**. Will the gentleman yield?

Mr. **Green**. I would be happy to yield, certainly.

Mr. **Scheuer**. You are saying that keeping the price high keeps consumption down because fewer people can afford it. I don't see any evidence of that. The price has been high for a decade. The consumption has been going up.

Couldn't you also make the theorem that when the price is high there is a demand out there and the highness of the price or an increase in the price simply has a crimogenic characteristic in that it forces would-be users to go there and bop so many people, more people on the head and rip off so many more handbags in order to support a habit that it is becoming increasingly expensive?

It seems to me that the impact of the order of magnitude of the expense doesn't decrease demand, it simply increases the criminal activity, the violent crime necessary to support that addiction.

Mr. **Martin**. I think it may have both. I think you are right, obviously if you have a narcotics addict who has to feed a habit and he has to pay $100 instead of $50——

Mr. **Scheuer**. Even the kid who experiments, he knows, when it is $50 a day, $100 a day, or $150, if he experiments and becomes an addict he is going to engage in the order of magnitude of violent criminal activity sufficient to support that habit. Whatever the price is, doesn't seem to be deterring that young person from experimenting and then becoming hooked.

That seems to be a systematic process affecting quite a few young people over the last few years. Do you have any evidence that as the price goes up fewer young people become involved because of the deterrent effect of the high price.

Mr. **Martin**. I think there have been, I am not current on the studies; some evidence in the past that as the price went up for a period, I know—again it was supply that was going down—the price was simply a reflection of the supply, as you were able to dry up the supply, it simply was not available, and therefore, there were periods you could measure law enforcement by decreases in overdose deaths, in numbers of people showing up.

Mr. **Scheuer**. I yield back the time. I thank my colleague.

Mr. **Green**. Would Mr. Korman care to comment on what we have been discussing?

Mr. **Korman**. I would agree with the point Congressman Scheuer made early this morning about the problem of getting it at the source. If you cut the amount of drugs coming into this country by half, that means half as many people are getting access to it, or if the same number of people are getting access to it, they are getting half the dose.

I think as long as there is enough money to be made and as long as the stuff is not being stopped at the source, narcotics is going to be a very, very serious problem even if we doubled all of our resources, as I think I indicated earlier. There would be more prosecutions, more cases, more people would go to jail, but the problem would not be solved.

Mr. **Green**. I would certainly agree. One difference between the prohibition analogy that I made and the drug world is that in most of the world, alcohol was an accepted substance when we tried to interdict it, whereas in most of the world the drugs are not. But isn't it accepted or at least permitted to be grown for export in enough of the world, and in enough of the world with which we don't have those kind of relationships that we can stop the growth, that there isn't a great deal of hope at least of stopping the initial growing of the things that are converted into drugs?

Mr. **Korman**. I think that is an accurate statement.

Mr. **Green**. Where does that leave us?

Mr. **Korman**. I think it leaves us where the representative of the police department suggested it leaves us, the best we have been able to do is hold our own in terms of containing the problem. If you don't do the best you can, you get a situation that exists in Miami, where everything gets totally out of hand; killings, violence, law enforcement apparatus breaks down completely.

I am not suggesting we abandon our efforts, because it only gets worse. But I don't think that we should to a certain extent delude ourselves that there would be a solution to this problem without dealing with it on an international level is simply wrong.

Mr. **Green**. Let me raise the alternative. Should we to some degree, at least for the people who can establish that they are users, decriminalize it?

Mr. **Korman**. I would like to answer that question in 3 months since I have been told our job here is not to enunciate policy, but simply provide factual information.

Mr. **Green**. I will look forward to your answer in 3 months.

Mr. **Martin**. I will not respond.

Mr. **Zeferetti**. I would like to conclude by throwing out to you, if you had to have a wish list of resources to make your own jurisdiction function in a more effective way, to combat this drug problem that we have, would you comment on what kind of a wish list it would be to make your job a little bit easier.

Mr. **Korman**. Again, we are in a somewhat awkward position. Unlike the district attorneys, we are not elected; we are not our own public policy spokesmen. Our position has to be that of the administration's and that——

Mr. **Zeferetti**. I am not talking about when it is a policy situation, I am talking about whether or not you feel you need 15 more prosecutors who could handle this kind of case? I am just talking about where you think you are going in relationship to the caseload you have and not whether it is a policy determination.

Mr. **Korman**. For me to come in and see we need 100 percent more, I am not in a position to do that. I make my request to the department.

Mr. **Rangel**. Would a visit by Mrs. Reagan help you?

Mr. **Korman**. I wouldn't want to get into an area——

Mr. **Martin**. Let me say this in response, I think anybody who is concerned with law enforcement would recognize that what we have been able to do on a law enforcement level is not enough. The policy decisions then become who should be doing it; State, Federal, or city and on what levels? And I think as bureaucrats if you ask any of us, we would say with more people and more money we would do it on a better job.

But to do it on a Federal level, it has to be more people not only in my office but in DEA, and every agency.

Mr. **Zeferetti**. My statements earlier indicated we should be dealing with the criminal justice system in its entirety, we should be dealing with it not only in the area of enforcement, with the law officer out on the street but also with corrections, the courts, probation, the whole thing as a wheel with a lot of spokes.

So when I ask you that kind of a question, I am not asking you to tell me whether or not you need 15 more prosecutors—I am talking about the overall system, to make it function. Should we be talking about giving priorities in corrections, to make it function, that is all I am trying. I am not trying to hang you up somewhere and say he said that.

Mr. **Martin**. I understand. Obviously on every level of the effort when you talk DEA, the FBI, the State people, there is need for resources on every level. New York State prison system is operating at 113 percent of capacity right now, so every person you put in you almost have to let somebody out. If you are going to say all right, we are putting everybody we catch with an ounce of narcotics, we are going to put him mandatorily in jail in the State system, for example, you are going to have to let out murderers, rapists and other people.

Obviously, the Federal prison system is not that overcrowded but it doesn't have the capacity to take on 100,000 more people. So that if once you commit the resources to any one area you have to commit them to every other area.

I think one of the problems raised by Congressman Rangel's question about not enforcing the various laws, I think if we were to go back and start history all over, it would be a worthwhile thing for Congress to do every time it passes a law, to have with it a law enforcement impact statement.

If we want to make this a crime, we have to recognize we need *x* more prosecutors, *x* more investigators, *x* more judges, *x* more places in prison. But we have had those judgments not being made in a wide variety of laws to be enforced with limited numbers of people.

Mr. **Gilman**. Would the gentleman yield?

Are any of your prosecutorial duties being hindered by a lack of resources right now? For example, are you backlogged in prosecution because you don't have enough U.S. attorneys? Sterling Johnson I understand testified earlier that he can't draw up indictments fast enough because he lacked secretarial services. Do you have that kind of a problem?

Mr. **Martin**. I don't think we have it in any kind of dramatic sense. When I was an assistant in 1962 to 1966, there were always cases didn't get attention they should get because of lack of resources. Again, we are only part of the system. We are able to keep up I think in the narcotics area fairly well with what we are being supplied with by DEA, that is doing the investigation. If they had fewer resources we would not have any problem; if they have more resources, then we are going to have a problem because there are going to be more cases, but it is the entire system that you have to deal with.

Obviously, we have I think more cases than we can deal with. I think probably any bureaucrat would want more resources.

Mr. **Gilman**. What is your backlog on narcotics prosecutions?

Mr. **Martin**. We are not—narcotics prosecutions we really don't have tremendous backlog in our district. Ed may have more problem because they get a lot of the airport cases. We deal with narcotics cases, they come in, they are mostly—there is a higher percentage of cases in which the defendants are being held without bail, speedy trial act comes into play, you simply have to run those through.

So we are not facing a backlog. We are able to deal with what DEA brings us. If you were to increase their budget, they would bring in more cases and we would need more people.

Mr. KORMAN. We don't have any backlog; our cases are tried promptly. Particularly the drug cases since most of those are jail cases and are given priority and the judges, to the extent that the criminal docket becomes a problem, they just neglect the civil docket but on the whole, our criminal cases are tried promptly.

Mr. GILMAN. Then to sum it up, the U.S. attorneys offices in both the southern district and eastern district have no resource problem with regard to narcotics prosecutions; is that right?

Mr. MARTIN. I think what we are saying is we are able to function.

Mr. GILMAN. With the existing.

Mr. MARTIN. And prosecute the cases brought to us. There are judgments to be made when, as Congressman Rangel indicated, whether there should be more resources allocated so that more cases can be brought to us. But on allocation of resources of the investigatory agency at this time, I think we are able to keep up with what DEA brings us.

Mr. RANGEL. Would the gentleman yield.

Mr. MARTIN. I was just going to say, let me anticipate you. Obviously, if the New York City Police Department wanted to come to us and say, "Look, Sterling Johnson has this problem, can you take over a lot of the cases that we are making," the answer is we could not.

Mr. RANGEL. I know. But I think it is safe to say that you don't have any backlog because of how you establish the priority of cases that you are prosecuting. And I kind of believe that you don't want it any other way. I mean, you called it, what is it; cutting your teeth, no young prosecutor wants to handle these cases.

If we could enact a law that would take the important cases and give them to the U.S. attorneys offices and the so-called low level cases, give them to local and State offices, you would want that because that is the policy. I am not arguing whether it is a good or bad policy, because I am not in charge of your budget. I just don't like it as a Federal law enforcement officer to have one law and then find out that someone can determine the priority with that law.

Now you say we should then determine the impact of enforcing that law and provide some budgetary backup. But I am afraid, Mr. Martin, that if we took a vote as to what the U.S. attorneys offices would want, that they wouldn't want too many resources to expand the enforcement of the Federal law as related to street level cases.

And if you want to test me on it, then I would say that the U.S. attorneys offices' general feeling is that if we had more resources we wouldn't establish these high priorities, every violation of the Federal law, small or big as related to narcotics, you give us the resources we will do our job.

Mr. MARTIN. And I think that is true.

Mr. RANGEL. Very good. Then let's—you don't like the idea of having to establish priorities with the DEA, and the FBI, do you; and if Sterling Johnson's group says, "Hey, Mr. Martin, someone just violated the Federal law here and Congress is prepared to do something about it," you will have a backlog and then maybe in the Congress we will be able to deal with it.

Mr. **Martin**. I think there is no question that for us to take on more will create a backlog.

Mr. **Rangel**. I am not going to try to get your backlog first to prove a political point. All I am saying is that the bottom line of your testimony should not be, take care of this internationally, or you have to cut back the demand. What you are saying is that the only reason you are not enforcing all of the violations of the Federal criminal code is because you don't have the resources and you are forced to make these type of decisions with the cooperation of the DEA, FBI, whatever they call themselves today; right?

Mr. **Martin**. Absolutely.

Mr. **Rangel**. Good. And I will be able to go back and try to convince my colleagues that you are willing and able to prosecute every violation of the Federal narcotics laws if you had the resources to do it.

Mr. **Martin**. That is what we are sworn to do.

Mr. **Rangel**. Mr. Korman?

Mr. **Korman**. I agree.

Mr. **Rangel**. It didn't come across that forcibly but now I am with you.

Mr. **Korman**. These are all a question of not only priorities within law enforcement but also a question of national priorities. This is simply not an un——

Mr. **Rangel**. We can't establish national priority without backup and we weren't getting too much from you. We think it is a priority more than mail fraud, more than bank robberies. We think it is a real big problem.

Mr. **Korman** (continuing). I understand that, but is it more than a priority for food stamps, a whole lot of other issues——

Mr. **Rangel**. You should really go for national policy; you're good. Enforcement I don't know. But national policy, you are good.

[The prepared statement of Mr. Korman appears on p. 123.]

Mr. **Zeferetti**. Thank you, gentlemen, thank you so very much. We are going to keep the record open in case there are some questions to be sent to you.

Mr. **Scheuer**. I ask unanimous consent for Members to put questions in the record.

Mr. **Zeferetti**. Granted.

We will take about a 5 minute break here.

[Recess.]

Mr. **Zeferetti**. Our next witnesses are Mr. Bruce Jensen, special agent in charge, of Drug Enforcement Administration, and Mr. Richard Bretzing, special agent in charge, of the Federal Bureau of Investigation, I might add, for the New York area.

Gentlemen, thank you for being with us this morning, thank you for waiting and listening to the other testimony. We have your written statements. They will be made part of the record. You can proceed in any fashion you feel comfortable with.

Mr. Jensen.

TESTIMONY OF BRUCE E. JENSEN, SPECIAL AGENT IN CHARGE, DRUG ENFORCEMENT ADMINISTRATION, NEW YORK CITY AREA

Mr. JENSEN. Well, I believe the size and the scope of the problem here in New York has already been adequately discussed. As you said, you have a copy of my prepared text, and I would be happy to discuss with you any areas within the scope of my jurisdiction here in New York City, sir.

[The prepared statement of Mr. Jensen appears on p. 127.]

Mr. ZEFERETTI. Thank you.

TESTIMONY OF RICHARD BRETZING, SPECIAL AGENT IN CHARGE, FEDERAL BUREAU OF INVESTIGATION, NEW YORK CITY AREA

Mr. BRETZING. With your permission, Mr. Chairman, I would like to read into the record my statement for two reasons.

Mr. ZEFERETTI. Go right ahead.

Mr. BRETZING. It is rather brief, as you can see, and secondly, I think the contents of that statement address some of the issues raised here by previous questions and answers.

Recently, by order of the Attorney General of the United States, the Federal Bureau of Investigation has been given concurrent jurisdiction along with the Drug Enforcement Administration to investigate violations of the Controlled Substances Act.

As the existing narcotics problem represents one of the more serious challenges facing Federal, State, and local law enforcement, the FBI welcomes the opportunity of directly participating in the ongoing efforts to combat this menace.

The New York office of the FBI, as you can imagine, already has awesome investigative responsibilities that are being addressed on a daily basis.

At the present time, the criminal division of the New York office has 343 special agents, including management personnel, assigned to handle all criminal violations wherein the FBI has primary jurisdiction that occur within New York City and surrounding geographic areas.

The majority of these resources are expended in investigating priority matters that fall within the organized crime, white-collar crime and general property crimes programs.

My primary responsibility in the New York office is directing and overseeing criminal investigations in organized crime, white collar crime and the other criminal violations wherein the FBI has primary jurisdiction.

The criminal division has a separate organized crime branch with the responsibility for investigating alleged violations committed by the five traditional organized crime groups in New York City. In addition, this branch also has responsibility for investigating violations being committed by the nontraditional organized crime groups.

The FBI is currently directing available resources within the organized crime branch to develop prosecutable cases concerning the involvement of traditional organized crime groups in the importation and distribution of heroin.

Additional organized crime groups are involved in other drug trafficking activities relating to dangerous drugs and cocaine. This posture had been adopted in view of our belief that trafficking in heroin represents the major narcotic problem in the New York City area.

It is also based on available intelligence information and the results of investigations ongoing at the present time which indicate that the traditional organized crime groups are predominantly responsible for the importation of heroin into the New York City area.

It has been the practice of the FBI to cooperate with DEA by furnishing intelligence information developed regarding narcotics activities. On some occasions in the past, the FBI has worked with DEA in ongoing investigations wherein violations under the FBI's jurisdiction were also present.

With the FBI now having concurrent jurisdiction with DEA, its role in narcotics investigations will be increased substantially and it will assume a much more active and aggressive posture.

Within the past few months, the FBI and DEA have initiated several joint investigations directed at significant individuals involved in narcotics trafficking. This mutual effort has been successful to date and it is anticipated that these successes will continue.

Through the FBI's direct involvement in narcotics investigations, I believe that opportunities to develop successful prosecutions of organized crime figures will increase substantially.

Within the past several years, the FBI in New York has made substantial progress in successfully prosecuting organized crime figures who are involved in traditional organized crime activities.

By utilizing these same investigative techniques and expertise which have proven so successful over the course of many years, it is expected that significant cases will also be developed regarding organized crime members who are involved in narcotics trafficking.

As I am sure you can appreciate, the sheer magnitude of the organized crime problem in the New York area requires the allocation of substantial resources. The responsibility of investigating narcotics violations will create an additional strain on FBI resources; however, the FBI recognizes the serious nature of this menace to our society and is fully committed to this cooperative effort with DEA.

I appreciate the opportunity to appear before you today concerning this important subject matter and will be happy to respond to any questions.

Mr. ZEFERETTI. Thank you. One of the things I would like to touch on immediately, since your statement relates to it extensively, is how will you be impacted? You are saying the resources are going to be impacted.

How else would you be affected, with the implementation of a DEA-FBI merger? You say you have already started. What impact has it made on the agency?

Mr. BRETZING. I am responsible, in the criminal division, for the management of the investigation of nine separate investigative programs. The organized crime program is only one of those programs.

It is the highest priority program that we have here. But there are eight other programs as well. I currently have approximately

43 percent of my resources assigned to the investigation of organized crime.

In addition, a very close second is the white collar crime program because New York is not only the organized crime capital of the United States, but it is also the white collar crime capital of the United States.

I am currently expending 27 percent of my resources in the investigation of white collar crime. So, as you can see, together those two programs are consuming 70 percent of my resources, leaving 30 percent for six other programs, or seven.

There is no question, as we draw more and more of the organized crime resources to focus on the narcotics involvement of traditional organized crime that we are going to feel the strain increasing. We will continue, however, to prioritize our efforts in this direction.

They have been mandated from the Attorney General and from the Director of the FBI. We recognize that they impact substantially on violent crime which the current administration has made a top priority.

Therefore there is going to be a reduction in the attention and emphasis on these other programs, but there is no other alternative.

Mr. **Zeferetti**. I may be oversimplifying the procedure that could be developed or one that is in place, but walk me through. How do you make the reorganization thing work? If I am an agent, and I am out there investigating a case and I suddenly find out that it is an organized crime case, what happens?

Does the level of that investigation have to reach your level, Mr. Jensen, before you call Mr. Bretzing and say, "I think this thing has to be a joint venture, can you lend me or supply me with *x* amount of personnel and resources to make this work?"

Walk me through, if you would, on the kind of imaginary kind of circumstance that could involve the two of you and how it would operate.

Mr. **Jensen**. It could reach our level, although it doesn't necessarily have to do that. My assistant special agents in charge are in contact almost on a daily basis with Mr. Bretzing's assistant special agents in charge on the issue of organized crime involvement and heroin trafficking, and it may well be that one of my ASAC's would make a request directly to one of his.

Mr. **Zeferetti**. Is that any different than the way you have cooperated in the past? You have done that in the past. How do you make it work so that your agents will know that they are going to have to cooperate in some way?

Or, as a matter of fact, they may have some intelligence on a particular matter that they have been investigating that you don't even known anything about.

My point is how will you share in intelligence and in operational efforts that will make it work? I am just trying to get a semblance of understanding in my own mind.

Mr. **Bretzing**. Let me respond to that if I may. The FBI has extensive organized crime coverage already. We have had it for years and it is improving all the time. What we are going to have to do now is to shift the focus and the direction of those resources into the area of narcotics, where they have not been focused previously.

We have received information over the years, and we have disseminated this information. Where there have been FBI violations occurring as well as narcotics violations, we have pursued them with DEA and with other agencies.

Now that we have concurrent jurisdiction, which allows us to investigate narcotics as an agency, working in close cooperation with DEA, I don't foresee there is going to be a substantial problem in directing the coordinating efforts of the two agencies.

Mr. ZEFERETTI. Are you going to plug into the Drug Enforcement Intelligence Agency Coordinating System?

Are you going to be able to share your intelligence with DECS? If you don't I think that could be a problem. I am just trying to find out how it is going to work.

You have done certain things in the past in which your roads met and worked things out. I am trying to find out where the enhancement comes by the reorganization? Are you ready to share all intelligence, are you ready to get involved that way?

Mr. JENSEN. May I interject? In the past, if I had a substantial manpower problem dealing with organized crime-narcotics investigation, I did not have the luxury of drawing upon the FBI for additional resources because they lacked concurrent jurisdiction.

I now have that luxury and I fully intend to utilize it.

Mr. ZEFERETTI. I am more concerned with the sharing of that intelligence that comes out from one agency to the next. You are both dealing in an organized crime area, you both have very sensitive kind of information related to these particular people, particular efforts within that scope of organized crime.

How do you make it work, how do you do that, and is there really going to be the kind of sharing of intelligence so that you don't have an overlapping of effort between DEA involved in one area, and FBI doing the long-range kind of thing to get, let's say, all of the families involved as part of that organized crime system?

How do you deal with that, how do you make that thing work?

Mr. BRETZING. We are required by the agreement that has been entered into between DEA and the FBI to maintain close liaison with each other. We have permanently assigned liaison officers that are in contact with each other.

He has designated one to me; I have designated one to him. In the narcotics area, that coordination is going to be very, very close.

As a matter of fact, in the New York City area, I don't see the FBI conducting many, if any, extensive investigations without working jointly with DEA in that effort.

We have the concurrent jurisdiction and we have the authority to do so should the circumstances arise. But I think that those circumstances will arise in those areas where DEA has little or no presence, and the FBI will now be able to move into a vacuum that has been present.

But in the New York City area, where their resources have been so plentiful, at least compared to other areas of the country, and ours are greater in other areas of the country, I envision a working relationship in this area will be closely coordinated.

I do want to emphasize that the FBI anticipates its role in this investigative area to be aggressively pursued. We are not envision-ing ourselves as standing around waiting for DEA to ask us for assistance and I don't think DEA views our role as that, either.

Mr. Zeferetti. That is my point. That is the whole thing. It should be done that way. It should be, you have organized crime investigations going on that have been long range ones, DEA has initiated its investigations, it should be a cooperative avenue that you can both go down, and along with that as part of a task force effort that even allows local law enforcement to be involved with sharing intelligence information.

You know, there was something—I didn't see the program, but Federal investigators got really bad marks when it came down to cooperating and dealing with local law enforcement types.

There were all kinds of stories written on that program and the story behind it. My thought is that we shouldn't be creating cumbersome efforts, with people only waiting for somebody to say, "Hey, help."

Whatever investigations are in progress should be shared, especially if they are drug related where DEA has been there a while, and you are coming in. I don't think at the same time we should eliminate local law enforcement playing a role in that whole effort, because that network could be that much more strengthened if, in fact, the resources require it to be that way.

I just don't want to leave it here where it says, "Yes, we are going to tune in, we are going to call, we are going to get the assistance, whatever is necessary."

I think it goes beyond that, really, and I am hoping for that kind of cooperative effort.

Mr. Jensen. The guidelines spoken about earlier specifically mandate the cross-checking of each agency's files on these types of investigations. So that if the FBI does get involved, they are going to call DEA and we will run a name check. If we already have something active going, we will join forces with the FBI.

If we don't, it may very well be that we feel it is not necessary for us to join forces in a joint investigation, but the coordination effort will be there. There will be no parallel or duplicative type investigations.

Mr. Zeferetti. It is my understanding that the FBI is not plugging into the Drug Enforcement Coordinating Intelligence System.

Mr. Bretzing. At this time we have not, but I would hasten to point out that it has just been since March 12 that we have gotten an understanding that has been published and we know the direction we are moving in. It would be difficult from this point of view to project what the future needs or demands are going to be.

But DEA is not only plugged in, but is administering the whole system.

Mr. Zeferetti. They have been plugged in, but I am concerned with the FBI being plugged in.

Mr. Bretzing. Anything that we are doing is going to be coordinated with DEA. So that the DECS system is going to be the benefactor of anything that we are doing, whether we did it directly into DECS or whether DEA is doing it on behalf of us because it is a joint operation.

Mr. Zeferetti. But how can you actively participate in that effort if you don't share information, the intelligence? You have to be plugged in. It cannot be just DEA talking for the FBI. It has to be the FBI and DEA as one unit plugged into that, and talking as one unit. I don't understand what you mean.

Mr. **Jensen**. The DECS system is not the same as the task force.

Mr. **Zeferetti**. I understand.

Mr. **Bretzing**. The DECS system is strictly a computer system, is that what you are referring to?

Mr. **Zeferetti**. Yes.

Mr. **Jensen**. It is a manual index, a central repository of the names, aliases, and addresses of suspects who are under active investigation for narcotics offenses here in New York by either DEA, the New York task force or the narcotics division of the New York City Police Department.

Mr. **Gilman**. Would the gentleman yield?

Mr. **Zeferetti**. Yes.

Mr. **Gilman**. Right on this point, is there any restriction by either one of your agencies for sharing of intelligence between yourselves or with local police authorities?

Mr. **Jensen**. DEA has no restrictions.

Mr. **Bretzing**. As far as restrictions we have to categorize the type of intelligence you are talking about.

Mr. **Gilman**. Any intelligence that would help a law enforcement agency pursue or prosecute a narcotics investigation.

Mr. **Bretzing**. All right. If the intelligence has a bearing on a narcotics investigation or on a narcotics situation over which the agency has jurisdiction, then the dissemination would undoubtedly be made.

It would either be made directly to DEA or directly to the agency involved. However, there are some concerns that we have, and we have to protect those concerns, because of the security of our informant system, the security of the sources from which that intelligence derives.

Obviously, we are going to take into account those considerations in determining when or where to disseminate that information.

I don't believe there is going to be any problems of this kind. There have not been in the other areas where we have been working jointly with other agencies and I don't anticipate anything different arising in narcotics.

Mr. **Gilman**. If Sterling Johnson's office were to call upon your Office for Intelligence Information with regard to a prosecution, would that intelligence information be available to Mr. Johnson's office?

Mr. **Bretzing**. It conceivably could be. But the circumstances would have to be examined on an individual basis, because we operate under a need to know standard in the FBI. We are not going to be in a position of disseminating raw intelligence data on a wholesale basis without carefully evaluating how that information is going to be used and whether or not this is a need on the part of the agency requesting to have it.

Mr. **Gilman**. Thank you.

Mr. **Rangel**. It is my understanding, Mr. Bretzing, that you can determine which narcotics cases the FBI will be involved in aggressively, but that DEA will not be able to determine whether they want to get involved in any FBI cases?

Mr. **Bretzing**. Absolutely not so.

Mr. **Rangel**. Tell me how that works.

Mr. **Bretzing**. Certainly. It is incumbent upon me as the special agent in charge here in New York City that if we have the beginning of a narcotics investigation, I must immediately bring this to the attention of my counterpart in this case, Bruce Jensen, and advise him of what we have going, and he has the option to join that investigation if he wishes, or he may for one reason or another choose not to.

But I can't envision those reasons existing in this area.

Mr. **Rangel**. We see a two-agency picture when we get back home. Mr. Jensen representing the Drug Enforcement Administration, and you representing the Federal Bureau of Investigation. The closer we get to Washington, however, the more it looks like one agency. And I can't find the DEA in Washington; everybody I knew in the DEA has now got an FBI label on them.

Now, what are the top positions, Mr. Jensen, in the Drug Enforcement Administration and how many of those positions are now—that used to be drug enforcement positions are now administered by former, I guess, Federal Bureau of Investigation agents?

Mr. **Jensen**. Well, our Administrator-nominee is a former executive assistant, actually current Executive Assistant of the FBI. He has asked for Mr. John Lawn, the FBI special agent in charge in San Antonio, I believe, to be nominated as his Deputy Administrator.

The No. 3 position is occupied by a DEA employee.

However, I think the record should reflect that our history is such that it has been a long time since we have had a person inhouse appointed to the position of Administrator.

It has been a long time. I think it has been since 1968. So seeing someone come in from the outside, outside of DEA, is not unusual for us. Frankly, we welcome Mr. Mullen because of his lengthy law enforcement experience, which some prior Administrators did not have.

Mr. **Rangel**. That is good to hear. Tell me, as relates to the status of drug enforcement agents, I don't know the technical term, but there is a difference in the status of a DEA agent and an FBI agent, isn't that true?

Mr. **Jensen**. That status deals primarily with the fact that DEA agents are in the competitive service, FBI agents are in the excepted service.

Mr. **Rangel**. Which one provides the employee with the most security?

Mr. **Jensen**. The competitive service, but that is very misleading, particularly if you are a veteran. If you are a veteran, there is hardly any difference whatsoever in the benefits.

Mr. **Rangel**. So, if the Drug Enforcement Administration converts to the exempted category, there is no loss of job by the DEA employees; right?

Mr. **Jensen**. Well, that is a subject of concern among several employees. However, the more I learn about the excepted service, and as a matter of fact, I myself am in the excepted service as a result of the Percy bill, and have been for a couple of years, I really don't see that big a difference.

Mr. **Rangel**. OK.

My last question is: I have been advised that there is a reassignment going on the New York City area by the Drug Enforcement Administration and/or FBI, where all of our experienced agents are now being transferred to other assignments and that many of the cases that they have been working on with local, State, and Federal authorities, that they may be pulled off of those cases and simply experienced people from other parts of the country will be assigned to your office.

Will you clarify for the record what the status is of the redesignations, if any?

Mr. **Jensen**. Well, it was not a transfer of all agents. We found, over the years, that we really had no policy with respect to the rotation of supervisors to permit them growth and a better level of experience dealing with big office versus small office, experience in our field evaluation program.

As a result of that, the careers of all first-level supervisors were reviewed and any first-level supervisor that had been in place for more than 10 years, with a few minor exceptions, was placed on a transfer list. It did not go below that level; it did go above that level.

Mr. **Rangel**. Above 10 years?

Mr. **Jensen**. No, above the level of the first-line supervisor.

Now, we found that we had several of them that started their career in New York and have never been any place else. Sooner or later they will become the top managers of this organization and therefore they need some exposure to a different atmosphere, a different section of the country, a staff position, and so forth.

So that is what we are getting into now. There is no question that I got hit the hardest because I have the largest office. But those supervisors that are leaving have excellent back-up agents who will handle their group in the interim period of time while the new supervisor comes in and gets adjusted to the area and the conditions.

Mr. **Rangel**. So, this is in order to broaden the experience and scope of these first line supervisors, basically?

Mr. **Jensen**. That is my understanding; yes.

Mr. **Rangel**. What is the magnitude of the transfers, the number of people, the percentage of supervisors that will be leaving the area?

Mr. **Jensen**. Well, in my office I got hit the hardest because I had the most supervisors that had never moved. There were other offices where all of the supervisors had had previous transfers; they didn't get touched at all.

Mr. **Rangel**. How many——

Mr. **Jensen**. I lost 12 in the metropolitan area, approximately 50 percent, out of 24.

Mr. **Rangel**. I don't want to get involved as to when you supported this policy, but in the course of improving the quality of the supervisors, and getting broader experience in other cities, there is going to be some impact in the loss of that experience in our area, would there not?

Mr. **Jensen**. There will be some loss of experience, yes, sir, and I would be less than honest if I didn't say there will be some down time associated with it. But if you look at the agency's goals and the need of the Agency 5, 10 years from now, I think that move was necessary.

Mr. ZEFERETTI. May I just address that for the moment. You are also talking about a time in 5 or 10 years from now, from what I understand, from the testimony that I heard, there will be a transfer of agents.

You also talked of an exempted classification. I have gotten word from a great many DEA agents that they are not happy with that classification, that they don't want to go beyond a grade 13, because they feel they will be jeopardized.

They look at Mr. Mullen's past history in law enforcement, he has transferred 13 times into 13 different jurisdictions. They feel this could become a catalyst for DEA agents being transferred all over the place, as an integrated part of the FBI. They feel that in the exempted category they won't have any security; that they could be let go very easily, if they refuse to move that often.

There is an area here that really needs clarification, when you talk about transfer, when you talk about integration, changing the classification of people. It is a whole other thing, Mr. Jensen.

Mr. JENSEN. I understand their concerns. I think their fears are more imaginative than real. With the issue of transfers, a DEA agent, merely because he is in the competitive service, does not mean he can't be transferred.

When an agent is sworn in, he signs a statement saying that he will accept transfers in this Agency and his refusal to accept that transfer will constitute his resignation. That policy is no different than Secret Service or Customs or anyone else.

Mr. ZEFERETTI. I don't think that is the problem. The problem is to be able to transfer the individual an excessive amount of times as a result of changing the different kinds of responsibilities that he would have, functioning as a new employee, as part of an integrated force of FBI. Part of this is the fact that they are talking about changing the qualifications for DEA agents down the road, so that you are all going to become one agency in effect.

That is the real fear that some of your people have expressed to me.

Mr. JENSEN. I understand, but I think some of those fears are based on misinformation, sir. We are not really changing our classifications, we are standardizing them. I would prefer to use that terminology.

Mr. ZEFERETTI. How many people did you transfer to Florida to take part in the task force operation down there?

Mr. JENSEN. I have only four men TDY down there.

Mr. ZEFERETTI. Are they due back any particular time?

Mr. JENSEN. Yes. They have just been extended another 60 days.

Mr. ZEFERETTI. What happens, they are down there, functioning and they are making arrests. When they come back to New York are you going to send them down for the court cases?

Mr. JENSEN. I guess I will have to; yes, sir.

Mr. ZEFERETTI. Are you getting resources to do that?

Mr. JENSEN. Well, it won't cost me. If Miami got the case, they will have to pay for it.

Mr. ZEFERETTI. The only reason I bring that up is because I took care, in the Rules Committee, of a supplemental budget consideration that had $3.5 million added on through my efforts to take care of operating costs for overtime and transfer of personnel in south Florida.

Actually, to be fair, the administration asked for much more than that, but that is all they would be able to come up with.

I am concerned that not only are you going to be diminished in manpower, but in resources also, because you are going to have to pay out of your Agency for those agents to go back down and account for the arrests that they made and the convictions.

Mr. JENSEN. That is a question that is really a policy issue which should be addressed at the national level.

Mr. ZEFERETTI. We are doing that, too. I am just trying to find out what kind of an impact it has on you.

Mr. JENSEN. I only have four men TDY down there.

Mr. ZEFERETTI. I am sorry.

Mr. RANGEL. I finished my question, except the last one, which was: You don't foresee one agency in the future, FBI or DEA functioning? I noticed a smile when I made the comment.

Mr. JENSEN. The smile, sir, was based on the chairman's comment that he had heard that in 5 years it would be a fait accompli.

I don't, sir. I don't know what the future holds. I can only tell you what I am being told, that if the current relationships work and work successfully, there will be no further changes.

Mr. RANGEL. Thank you, Mr. Jensen.

Mr. ZEFERETTI. Mr. Gilman.

Mr. GILMAN. Thank you, Mr. Chairman.

Mr. Jensen, and Bretzing, can you tell us what your total personnel is who have the responsibility for narcotics enforcement? You are head of the New York Office, Mr. Jensen; you are chief of the New York Drug Task Force; is that right?

Mr. JENSEN. No, sir. I used to be chief of the task force. I am now the special agent in charge of the New York Division of DEA.

Mr. GILMAN. Does that encompass the whole State?

Mr. JENSEN. Yes, it does.

Mr. GILMAN. Now, how many agents do you have that are responsible for the narcotics effort?

Mr. JENSEN. In Metropolitan New York, we have an authorized ceiling of 215 men.

Mr. GILMAN. Part of those are upstate New York?

Mr. JENSEN. No, that is Metropolitan New York City.

Mr. GILMAN. What about upstate?

Mr. JENSEN. We have a ceiling of seven agents in Buffalo, two in Rochester, and two in Albany, N.Y.

Mr. GILMAN. And these are all full-time DEA agents spending all their time on narcotics?

Mr. JENSEN. That is right, sir.

Mr. GILMAN. Do they go beyond New York State into Jersey——

Mr. JENSEN. If the need arises, yes, then we would coordinate with our Newark Division.

Mr. GILMAN. You also cover the airport out of this office?

Mr. JENSEN. That is correct.

Mr. GILMAN. How many are assigned to the airport?

Mr. **Jensen**. We have 22 men assigned to the JFK Airport.

Mr. **Gilman**. Mr. Bretzing, how many of your FBI people are assigned to a narcotics unit?

Mr. **Bretzing**. I have no narcotics unit as such. Our narcotics part of the program is working out of my Organized Crime Branch.

Mr. **Gilman**. How many of your Organized Crime Branch work on narcotics?

Mr. **Bretzing**. I have no agents who are designated as narcotics agents within that Organized Crime Branch because it doesn't fall within the focus of our program. We are not separating the investigation of narcotics from the investigation of organized crime.

The mandate we have been given and the agreement with the DEA is to focus on the traditional organized crime involvement in narcotics and the nontraditional violence-prone organized crime groups, such as the organized motorcycle gangs and so forth.

So we are addressing the traditional five organized crime families who in fact dominate the importation of heroin into this area. We are addressing our focus on these organized crime groups and encompassing where we can the narcotics violations and where those violations come to light, we are joining with DEA in pursuing those investigations.

But I have no cadre of agents in the Organized Crime Branch that I am going to call narcotics agents.

Mr. **Gilman**. How many of your present agents work in investigating the narcotics activities that you have just described to us?

Mr. **Bretzing**. Right now, we have somewhere over 10 percent of the agents that are currently working the Organized Crime Branch.

Mr. **Gilman**. How many are in the Organized Crime Branch?

Mr. **Bretzing**. We have 147 special agents currently approved for the Organized Crime Branch. That fluctuates.

Mr. **Gilman**. So you have 14 or 15 members?

Mr. **Bretzing**. No, no, I said over 10 percent.

Mr. **Gilman**. Well, how many?

Mr. **Bretzing**. I don't know, I don't have the exact number of agents who are working today on——

Mr. **Gilman**. Can you tell us approximately how many people you have assigned to these narcotics efforts?

Mr. **Bretzing**. Congressman, that fluctuates from day to day. I have a number of investigations that are underway, and on 1 day those investigations may be occupying the attention of three or four full surveillance squads. The next day, those surveillance squads may be working something else.

So, no, I cannot give you a specific answer that you are asking for, other than to say generally, it is going to hover between 10 and 15 percent of the Criminal Division resources; that would be somewhere between 35 and 55 individuals, generally.

Mr. **Gilman**. Thirty-five to 55 agents.

Mr. **Bretzing**. Generally, hovering between that area.

Mr. **Gilman**. Now, are you part of the New York Drug Enforcement Task Force?

Mr. **Bretzing**. No.

Mr. **Gilman**. Is there some reason why you are not part of that task force? Is that task force still functioning?

Mr. **Jensen**. Yes. It is made up of DEA agents, New York City police officers and New York State troopers.

Mr. **Gilman**. This is a task force functioning for some 20 or 30 years.

Mr. **Jensen**. Twelve years.

Mr. **Gilman**. Twelve years.

Mr. **Jensen**. Yes.

Mr. **Gilman**. Is there some reason why the FBI is not part of that task force?

Mr. **Jensen**. They have never been invited. They never had narcotics jurisdiction until less than 1 month ago.

Mr. **Gilman**. Narcotics jurisdiction, it was transferred to the FBI——

Mr. **Bretzing**. January 28. But it wasn't until March 12 that the agreement was worked out between two agencies and received approval of the Attorney General.

Mr. **Gilman**. Now that the treaty has been signed, are we going to invite them to come in or do they need a special act of Congress to make them part of all this.

Mr. **Jensen**. No. I just don't know if there is a need for that, sir.

Mr. **Gilman**. What is the function of the task force?

Mr. **Jensen**. To direct their activities against individuals or organizations whose drug trafficking activities principally affect New York City. It is limited in scope geographically.

Mr. **Gilman**. Sometimes with that sort of an objective and goal, Mr. Jensen, that you would want this other agency that is going to be supplementing your activities, backing you up to be part of that?

Is there some reason why you would resist joining that, Mr. Bretzing?

Mr. **Bretzing**. My understanding of the objective of that task force is such that it would be addressing those areas that we would not be addressing in our investigative efforts.

As it has been explained to me, there are three levels of drug investigations. One level, which is primarily just the street level, the people in the neighborhood, schools, so forth, the pusher, if you would, I believe is primarily being addressed by the State and local authorities.

The next level is that which is being addressed by this task force. It involves, as Mr. Jensen said, those people who are impacting directly on just New York City in a local sense. The third level is one that I believe is being addressed on pretty much a Federal level alone, and that is the level where DEA and the FBI will be devoting its resources.

So at this point, his comment that he doesn't see the need for us to be present in that task force, I believe has merit. The objective of the task force is not the objective of the FBI's involvement.

Mr. **Zeferetti**. Doesn't organized crime overlap those three jurisdictions?

Mr. **Bretzing**. Organized crime goes beyond those three jurisdictions.

Mr. **Zeferetti**. So wouldn't that be a reason for having the task force part of your operation, because you really have direct jurisdiction on organized crime?

Mr. **Bretzing**. That is correct. As I indicated earlier in my comments here, we are fairly new in this situation and we are studying, evaluating the need as they are developing.

If a need were to present itself, a persuasive need, I might add, that would dictate or warrant that this should be done, then it will be done. But I think it is premature.

Mr. **Gilman**. If I might interrupt, are you responsible for having some input in policy on how to deal with organized crime in this whole area?

Mr. **Bretzing**. Yes. The Organized Crime Branch is within my Criminal Division.

Mr. **Gilman**. Then I don't understand why you would feel you are outside the scope of the New York Drug Task Force or why you couldn't be of material assistance to that task force.

I recognize the arm of your agency is now the DEA, but if you also have some additional responsibilities besides just taking the reports from the DEA and trying to supplement their activities, you are also into some other areas that could be particularly helpful to the work that they are attempting to do.

Do you agree that there are some areas where you could be of help, in some policy formulation in the task force?

Mr. **Bretzing**. I suspect any area we could be of assistance is being addressed through DEA representation on the task force. Any information we would have we disseminate through them, and they are represented on the task force.

As he pointed out, we have not been invited to be a member of the task force. We are not resisting. We just don't see the need.

Mr. **Gilman**. Gentlemen, I would like to urge both of you to put your heads together and see if there could be some material assistance by your taking an active role in that task force, and making you part of it, I would hope you would explore that.

Now, if you have been at work on the task force, and this has been the Coordinating Council, I go back to the question I addressed to the U.S. attorneys—maybe they were the wrong people—why haven't the U.S. attorneys been brought into your Coordinating Council? Apparently, that council has been functioning for the past few years since we were last here, is that correct?

Mr. **Jensen**. Yes, they have been functioning since the life of the task force.

Mr. **Gilman**. Who has been the chairman of that task force?

Mr. **Jensen**. I don't believe we have a chairman, per se. There are three members.

Mr. **Gilman**. You have been taking an active role in it?

Mr. **Jensen**. Yes, I have.

Mr. **Gilman**. Why haven't the U.S. attorneys been brought in? We recommended that in May 1980. Is there some reason why this is an exclusive body?

Mr. **Jensen**. Mr. Gilman, I am unaware of any recommendations that the U.S. attorney be brought into the three-member agency drug coordinating committee.

Mr. **Gilman**. Let me read to you from May 15, a report of the Select Committee on Narcotics Abuse and Control, 96th Congress: Increased heroin supply and decreased funds impact on enforcement and treatment, that is the subject of that.

We were here, we had a hearing in this courtroom, as a matter of fact.

On page 15, subparagraph 2, under recommendations:

> To insure that narcotics enforcement in New York City is more effective, the Select Committee urges the Coordinating Council—

That is your council, isn't it?

Mr. **Jensen**. I don't know what you are reading for the record.

Mr. **Gilman**. All right.

> Urges the Coordinating Council, now consisting of Federal, State, and local law enforcement officials to also include representatives of the Offices of the U.S. Attorney for the Southern District of New York and the Special Prosecutor in any strategy sessions regarding targeting major narcotics traffickers.
>
> The Select Committee also urges the Coordinating Council to develop and implement plans for coping with increased availability of heroin in New York City.

You are not aware of that recommendation?

Mr. **Jensen**. No, sir, I am not. I am recently appointed to that council.

Mr. **Gilman**. I would hope that you would inquire of the council why this has not been followed and could report back to us when it can not be pursued and should be pursued and I would hope that you would try to bring in as many of the important key players as possible, including the director of the metropolitan FBI office who I think certainly has an important role to play.

Mr. **Jensen**. That council was originally designed to insure that the interests of the three participating agencies were protected. In just quickly examining the recommendation, we have a planning committee which is subordinate to the coordinating committee. That planning committee recommends to the coordinating committee policy, strategy, commitment of resources.

Mr. **Gilman**. Sometimes that is even more important in that planning committee——

Mr. **Jensen**. Their input on that committee would be more appropriate than at the coordinating committee.

Mr. **Gilman**. Fine. I would hope you would open the door into putting these key people into that kind of a planning situation. They all have active roles to play. The more key people we can get involved in developing a long-range strategy sometimes would be a very important element in trying to do something about narcotics trafficking in New York.

Mr. **Jensen**. That will be taken care of pretty much by the Drug Subcommittee of the U.S. attorney's committee.

Mr. **Gilman**. Hold a moment. They are not part of it, they are left out. They were not even familiar with where there was a coordinate. When I asked about that, I got blank stares before.

Mr. **Jensen**. I listened to that, sir, and I think they were talking about a different council, not the council that coordinates the activities of the task force. That is the impression I got.

What I am saying is that the Law Enforcement Coordinating Committees now mandated by the Attorney General to be chaired by the respective U.S. attorneys will form a drug subcommittee, and on that subcommittee will be representatives of exactly what you are recommending now.

Mr. GILMAN. In other words, you are saying now that the U.S. attorneys are drawing up a new committee and you are going to fold into a new committee?

Mr. JENSEN. Their committee will be broader than the purpose of the committee that I am sitting on.

Mr. GILMAN. Whether it is a new one or old one, I hope you will start working together, and I hope you would report to us, back to this committee.

Mr. Chairman, with your permission, I would like to make a formal request for both Mr. Jensen and Mr. Bretzing to report back to us how you are working now in the new Coordinating Council, whatever that may be, and whether you have an active role in it.

Can you both inform our committee after that new council is appointed, whether you have an active role in it, who the membership is, how often you meet, by way of report to our committee?

Mr. JENSEN. Yes.

Mr. GILMAN. Mr. Chairman, with your permission, I would like to make that part of the committee testimony at this point when we receive that report.

Mr. ZEFERETTI. It is so ordered.

[The information requested appears on p. 145.]

Mr. GILMAN. Thank you.

Mr. ZEFERETTI. Thank you.

One other question related to the importation of drugs into the New York area. In my opening statement, I read some statistics into the record that indicated that there was an increase of cocaine coming into the New York area.

I would like you to maybe touch on that and tell us what amount is coming in and whatever you can give us as information related to that.

Mr. JENSEN. Well, cocaine has increased in availability in the New York metropolitan area, and I would suspect throughout the State of New York, immeasurably in the last 3 years especially. I would be hesitant to guess the amount that is coming in, although we can document it through records seized from defendants.

Mr. ZEFERETTI. Can you send us something along the line of what your cocaine seizures—as a matter of fact, marihuana and cocaine have been?

Mr. JENSEN. I do not keep seizure-removal statistics locally.

Mr. ZEFERETTI. You have no way of——

Mr. JENSEN. I can tell you that with respect to the commitment of the New York Task Force in Jackson Heights, who are directing their activities against Colombian cocaine violators, there have been substantial seizures of cocaine in that area, along with guns, assets in the form of U.S. currency, et cetera, and numerous arrests.

I think there have been over 500 arrests made out there in the last 3 years by that task force, of which, I believe, about 350 were illegal Colombian aliens.

Mr. ZEFERETTI. We understand, by talking to some district attorneys and local law enforcement people, there has been a new type of organized crime in the sense that these little pockets of organized crime are related to different ethnic groups, and it is almost as bad as what we faced many, many years ago during the Prohibition era.

Do you find yourself caught up in a kind of local war with some of the shootings we have had, annihilation of entire families in drug-related activities, do you find that kind of activity one unrelated to traditional organized crime activity as we know it; is that a new phenomenon?

Mr. **JENSEN**. It is not a new phenomenon with the Colombian cocaine traffickers. I will speak for myself, but I do not see the problem here in New York, with respect to the multiple homicides, being anywhere close to the problem that exists in southern Florida.

Mr. **ZEFERETTI**. But there has been an increase of this type of activity in New York City?

Mr. **JENSEN**. There has been a substantial increase in cocaine trafficking in these areas, and the traffic is controlled almost exclusively by the Colombians.

Mr. **ZEFERETTI**. Thank you very much.

Mr. **RANGEL**. Historically, there has been a lack of minorities in the Federal Bureau of Investigation. Has that situation improved at all?

Mr. **BRETZING**. I don't have the current figures available. Yes, it has substantially improved.

Mr. **RANGEL**. What percentage of the agents in New York, for example, are black?

Mr. **BRETZING**. I have no idea.

Mr. **RANGEL**. How many agents do you have?

Mr. **BRETZING**. Right now, I have 343 in the criminal division. I don't know how many of those are black. There is a number of them.

Mr. **RANGEL**. Well, do you have 30?

Mr. **BRETZING**. I don't know. I could give you those figures later.

Mr. **RANGEL**. I know. You are not under oath, I am just trying to get a handle. Do you have more than two?

Mr. **BRETZING**. Yes, but I am not in any position to guesstimate what I have. I have not come here prepared with those figures.

Mr. **RANGEL**. I am not asking for anything that definite. How about—they have been substantially better with the Drug Enforcement Administration.

Mr. **JENSEN**. There has been a substantial increase in minority agents, but I also don't have the figures available.

Mr. **RANGEL**. That is something else I am concerned about with these mergers where you have a handful of experienced blacks and Hispanics in one line outfit, merging with another outfit that has had very little experience in dealing with minorities, and that is a very sensitive area, not only as relates to morale, but certainly effectiveness.

So, I would appreciate it, Mr. Chairman, if we could get those figures and to make it clear, for the record, that it is my understanding that before this merger—if this merger takes place, that there is supposed to be some congressional input in it.

I have never seen anything that looks like a merger, walks like a merger and talks like a merger that is not a merger.

So I know it is a cooperative effort. But I want you to know that Congress is prepared to get involved when you people say that you would like to merge.

I don't know whether it would be necessary at that point.

Mr. **Bretzing.** I would like to, for the record, take exception to your statement that the FBI has a less-than-desirable record in recruiting minorities.

I believe our record speaks for itself, and I certainly don't believe it is less than desirable.

Mr. **Rangel.** Well, I certainly hope that I would be in a position to make a public apology to you because the Federal Bureau of Investigation has always stood out to be almost an insult to the number of minorities in this country that have found itself on the end of law enforcement but never found itself represented within the Federal Bureau of Investigation, to such an extent that there have been any number of congressional inquiries where the FBI was saying that they had a failure of applicants, a variety of reasons as to why it didn't exist.

Fifteen years ago, we had, I think, a picture on the front page of a black national magazine, someone who made supervisor of the FBI, that is how important it was to us.

So I hope that you will demonstrate for the record the number of minorities with the FBI, and please tell your supervisors that Rangel owes you an apology if you are right.

Mr. **Bretzing.** I will do so.

[The information requested follows:]

U.S. Department of Justice

Federal Bureau of Investigation

Washington, D.C. 20535

May 20, 1982

Honorable Leo C. Zeferetti
Chairman of the Select Committee
on Narcotics Abuse and Control
House of Representatives
Washington, D. C. 20515

Dear Mr. Chairman:

On April 30, 1982, an oversight hearing was held by your committee in New York City concerning the drug enforcement priorities and management of resources within the New York area. During this hearing, Congressman Charles B. Rangel inquired of Special Agent in Charge Richard T. Bretzing, FBI New York Division, as to the number of minority Special Agents employed in the entire FBI and in the New York Division.

As of April 30, 1982, the FBI had on duty 592 minority Special Agents (246 Blacks, 255 Hispanics, 31 American Indians, and 60 Asian Americans) and 379 women Special Agents (including 36 minority women previously counted). Accordingly, women and minorities represent approximately 12 percent of our entire Special Agent work force of 7,799. In addition, our most recent New Agents' Training Class, consisting of 30 Special Agent trainees who entered on duty May 17, 1982, contained 5 Blacks, 2 American Indians, 1 Asian American, 1 Hispanic, and 6 women, including 2 Black women. This represents a 40 percent participation of women and minorities in New Agents' Training.

The New York Office currently has 61 minority Special Agents (29 Blacks, 3 American Indians, 3 Asian Americans, and 26 Hispanics) and 59 women Special Agents (including 6 minority women previously counted). Thus, women and minority Special Agents compose 14.4 percent of the New York Division's Special Agent work force of 793 Special Agents.

Judge Webster has on numerous occasions publicly stated his commitment to increasing the representation of women and minorities in the Special Agent ranks as well as insuring that they are also represented in the supervisory and management positions within the FBI. As evidenced by the above statistics, the FBI has been successful in increasing the representation of women and minorities in the Special Agent position while at the same time experiencing hiring freezes and suffering an overall reduction in our Special Agent work force.

You may rest assured that we will continue in our efforts to improve the representation of women and minorities in our Special Agent position.

Sincerely yours,

L. Clyde Groover, Jr.

L. Clyde Groover, Jr.
Assistant Director
Administrative Services Division

Mr. ZEFERETTI. Thank you very much, gentlemen.

Our next witnesses will be Mr. Anthony Liberta, area director, John F. Kennedy Airport, U.S. Customs Service, and Capt. Gary Crosby, Chief of Maritime Law Enforcement, Atlantic Area, U.S. Coast Guard.

Thank you for being patient and waiting for us. We are working right through lunch, trying to conclude this as quickly as we can.

We have your written statements. They will be made a part of the record. You can proceed in any fashion that you feel comfortable with.

Captain Crosby, why don't you start?

TESTIMONY OF CAPT. GARY F. CROSBY, CHIEF OF MARITIME LAW ENFORCEMENT, ATLANTIC AREA, U.S. COAST GUARD

Captain CROSBY. Thank you, Mr. Chairman.

If I might summarize part of my statement, I would like to do that since the Coast Guard's involvement in drug interdiction is a little bit different than what you have been talking about mostly here today.

I am the Chief of the Maritime Law Enforcement Branch of the Staff of the Commander of the Atlantic Area of the Coast Guard. I am pleased to have this opportunity to provide input to you through the oversight hearing process.

The Coast Guard's Atlantic Area includes Districts 1, 2, 3, 5, 7, 8, and 9. Thus the area commander's responsibilities essentially cover all of the States and waters east of the Rocky Mountains, including the Gulf of Mexico, the Caribbean Sea, and the Western North Atlantic Ocean.

Among other things, the role of the area commander is to plan, coordinate, and direct the interdistrict aspects of operations. This includes a responsibility for planning and exercising control of individual operations and missions which involve more than one Coast Guard district, or for any operation involving a single district which requires augmented forces due to its magnitude or urgency.

The resources which are under the area commander's purview to accomplish law enforcement and all our other Coast Guard missions, such as search and rescue and maritime law enforcement, include 174 cutters that are 65-foot long and longer, and 74 aircraft. Of these cutters, 30 high- and medium-endurance cutters and 46 patrol boats in the 82-foot and 95-foot range are the ones that are predominantly involved in law enforcement and search and rescue, and particularly in the maritime drug interdiction effort.

Throughout the entire Atlantic area during fiscal year 1981 about 29 percent of all of our cutters' total underway time was involved in drug interdiction.

In the 3d District, of which New York City is a part—the 3d District is the State of Connecticut, New York, New Jersey, and also includes Delaware Bay—the major cutters in that district devoted 27 percent of their underway time to drug interdiction.

As I mentioned, our interdiction effort is somewhat different than some of the other agencies that have been here today.

Our unique capabilities and our broad authority have the Coast Guard serving as the primary law enforcement agency at sea. We share that enforcement responsibility with the U.S. Customs Service within the customs waters. As a matter of fact, we have worked for the collectors of the customs for 192 years.

Our original purpose was to enforce the customs laws of the United States.

So we share that enforcement responsibility with Customs and we also receive intelligence support from the Drug Enforcement Administration. Each of our agencies has seized numerous types of controlled substances during our operations but each agency's particular dedication of resources coincides with their own mission responsibility and that leads to the interdiction of specific type drugs.

The Coast Guard intercepts the greatest portion of marihuana that is interdicted by Federal agencies because marihuana is a bulk commodity and it is shipped by sea, about 60 percent of what is smuggled into the United States comes by sea, and it is easily located during our at-sea boarding.

During the last few years it has been necessary to augment the 7th Coast Guard District—the Southeastern United States and the Caribbean—to meet the drug interdiction problem. Throughout fiscal year 1981 our high- and medium-endurance cutters in the 1st, 3d, and 5th Districts, those covering the maritime region north of Morehead City, N.C.—spent about 53 percent of their underway time on drug enforcement; 67 percent of that drug interdiction time was spent on deployments to the 7th District. For the medium-endurance cutters within the Southeastern United States and the Gulf of Mexico, about 75 percent of their underway time was dedicated to drug enforcement.

Our northern patrol boats during the fiscal year spend about 49 percent of their underway time on drug enforcement. Some of that has been in the southern areas but most of that has been along the waters of Connecticut, New York, and New Jersey.

We feel that the commitment of resources to the southeast area of the country is a good one because most of the sea traffic of marihuana comes from Colombia. We try to concentrate our forces in the four major passes from the Caribbean up into the areas of the Gulf of Mexico and into the Northwest Atlantic Ocean. We feel that by trying to choke off these four passes, we can interdict the majority of the motherships, those ships that are generally 60 to 100 feet in length, carrying large amounts of marihuana.

During fiscal year 1981, using that strategy, the Coast Guard seized over 3.4 million pounds of marihuana and almost 6 million doses of Quaaludes. We also assisted other law enforcement agencies in seizing almost 700,000 pounds of marihuana and 167 pounds of hashish. The street value of all of those drugs was approximately $2.7 billion.

Recently it has become necessary also to augment the resources down in southern Florida for the interception of illegal aliens by intercepting U.S. vessels, Haitian vessels, and those vessels that are declared stateless engaged in the illegal transportation of passengers into this country.

That cutter patrols the northern part of Haiti and is also in one of the four major passes and, as a matter of fact, the cutters which have been assigned to that mission have also made drug interdictions.

Mr. Zeferetti. Can I interrupt to say, How many cutters did you send down to southern Florida?

Captain Crosby. We hope to maintain an average of at least four cutters full time on drug interdiction efforts in that area. That is in addition to the cutter full time that we are providing also for the Haitian operation.

Mr. Zeferetti. How many came out of the 3d District?

Captain Crosby. Well, in the 3d District, of the six major cutters that are now stationed within the 3d District, two are right now on patrol in the southern Florida area; Coast Guard cutter *Alert* from Cape May, N.J., and Coast Guard cutter *Vigorous* from New London, Conn.

Incidentally, yesterday *Vigorous* did seize a vessel in the Windward Passage. They were a cutter dedicated to Haitian migrant interdiction patrol. They seized a vessel with about 10 tons of marihuana and are presently enroute to Miami with that vessel.

One other cutter in New London is now on patrol off the coast of Cape Cod and that is the cutter *Evergreen*. The other three cutters are in various stages of maintenance at the moment.

One large cutter here in New York is preparing to go down south to the Windward Pass on the 15th of May.

Mr. Zeferetti. That has been our concern.

Let me say to you, Captain, that your agency, the Coast Guard, is doing a magnificent job. We had the good fortune of visiting with Admiral Stabile down in Florida and seeing the effective job they are doing. We need a lot more. Our problem in the 3d District is with all the responsibilities that you have, we find that you lack the assistance that you need in order to fulfill your responsibilities.

If we just send everything out of here, you will not have the capability to do the other jobs that you are required to do, not only drug enforcement, but sea rescue, safety, the 200-mile limit, the Japanese fishing fleet that is out there, all the other things we have responsibility for—I should not say "we," that you have responsibility for, I find diminishing your force to combat that kind of activity, that is not in the best interests of the people in this area of the country.

We feel very, very strongly that you are doing a terrific job. We are trying to do everything in our power to get you the resources, to find out what your needs are, because your range of jurisdiction has just expanded to a point where the resources have to be augmented. Before you went any further, I wanted you to know that we are on your side and are trying to do something to help you.

Captain Crosby. Thank you very much. That was the conclusion of my statement. You must have been following along. But I would try to answer any questions.

Mr. Zeferetti. Thank you.

[The prepared statement of Captain Crosby appears on p. 135.]

Mr. Zeferetti. Mr. Liberta?

TESTIMONY OF ANTHONY M. LIBERTA, AREA DIRECTOR, J. F. K. AIRPORT, U.S. CUSTOMS SERVICE

Mr. Liberta. With your permission I would like to read my prepared statement.

I am Anthony M. Liberta, area director of the John F. Kennedy Airport Area, in the New York Region of the U.S. Customs Service. It is a pleasure to appear here today to discuss how Federal law enforcement resources can be used more effectively with State and local resources to control narcotics trafficking in the New York metropolitan area.

The United States is being assaulted by an army of narcotics smugglers as devastating as any military force that an enemy within could muster. It attacks our economy by flooding certain areas of our country with large volumes of cash, thus forcing legitimate workers to pay higher prices for goods and services in those areas. The profit of drug dealers goes entirely untaxed and our national health suffers from the horrifying effects that heroin, cocaine, and other dangerous drugs have on the mental and physical health of our Nation, especially the youth.

At a port of entry, narcotics are either smuggled in commercial shipments or by passengers and crew members. Every day customs officers are challenged by smugglers to find hidden narcotics. We rely on the instincts of the seasoned customs officers who spend a minimum of 8 hours per day, 5 or 6 days per week, developing their expertise.

In the port of entry aspect of our narcotics enforcement effort, customs and local law enforcement agencies work very effectively together. With regard to smuggling between ports of entry, there is a great deal that is being done with local, State, and Federal law enforcement authorities.

The customs patrol in the New York regional office has embarked on a liaison program with State and local police departments in the New York area. An example of this program is designed to enlist the support of these departments in helping customs to interdict motherships—multiton smuggling vessels. Most of these vessels off-load their illicit cargo far offshore; however, in September of last year, one such ship was seized in East Hampton, N.Y., while off-loading directly onto a secluded beach.

That case, which resulted in 33 arrests, the seizure of 15 tons of marihuana, a 57-foot trawler, and a 35-foot cabin cruiser, was successful in large part because of the efforts of the East Hampton Police Department. They provided manpower to assist customs in the surveillance of a suspected off-load operation. Two officers from the East Hampton Police Department were the first to spot the operation taking place. Because of this cooperation, the smuggling attempt was not successsful.

It is important here to point out the type of narcotics that are smuggled into New York and by what methods. The mothership smuggler that I just described will be dealing primarily with bulk drugs such as marihuana and hashish. These are hard to disguise in any large quantity and are easy for narcotics detector dogs to locate if they are hidden in a commercial shipment. Therefore, they must be smuggled in large privately owned vessels or aircraft.

The principal port of entry smuggling threat to New York is heroin. Kennedy Airport remains the principal international gateway for European and Middle-Eastern air travel, and as such for Southwest Asian heroin. The National Narcotics Intelligence Consumer Committee estimates that approximately 8,800 pounds of heroin from all sources will enter the United States this year. According to our best estimates, a substantial percent of this heroin is coming through New York.

Customs' most effective weapons against this smuggling threat are the inspector on the line and the integrated teams of Customs officers who perform in-depth analyses of the documents on incoming shipments. These teams, known as CIP teams, for Customs integrated program, have been in use in New York for the past 18 months and are comprised of inspectors, patrol; officers, special agents, import specialists and dog teams.

In January, two seizures in New York netted approximately 153 pounds of heroin. One of these seizures was 116 pounds and was the largest heroin seizure in more than 7 years. These seizures demonstrate the intensification of Customs enforcement thrust against narcotics smuggling.

Recent cocaine seizures at Kennedy Airport indicate that smugglers are also becoming more desperate. The traditional false bottom suitcase, while still a favorite smuggling technique, has given way to a far more dangerous smuggling method. Couriers are packing their own digestive tracts with balloons and other devices filled with narcotics.

This "body-packer" method of smuggling has recently shown a startling increase. In the last 6 weeks, 23 people have been arrested at Kennedy Airport as they attempted to smuggle cocaine into the United States from Colombia. This smuggling method is by far the most difficult for a Customs officer to detect. Even so, Customs arrested 6 people arriving on one flight earlier this month, all smuggling cocaine from Colombia using the "body-packer" smuggling method. A total of 27 pounds of cocaine has been seized in these most recent attempts to elude detection and find new cocaine trafficking routes from Colombia.

While we continue to fight the drug war, Customs, in cooperation with other Federal agencies, has also undertaken a new effort to undermine the narcotics trafficker. Customs has opened numerous investigations into illegal financial practices which are connected with the narcotics smugglers' activities.

The first such investigation, known as Operation Greenback, was begun 2 years ago and has resulted in indictments of 24 trafficking organizations and 90 individuals. Thus far, 61 of those people have been arrested in the State of Florida. Even more importantly, $18.6 million in assets of those indicted have also been seized, and jeopardy tax assessments of $112 million have been imposed.

Operation Greenback has been so successful that a new Financial Law Enforcement Center (FLEC) has been created by Customs Headquarters in Washington to provide field support and a common data base from which further investigations may be conducted. The Greenback concept has also been expanded in a new thrust called Operation El Dorado, which will include New York as one of the primary targets for in-depth investigations of illegal banking practices.

We believe that Federal, State, and local law enforcement offices will be able to benefit greatly from the efforts of these financial investigations. Local narcotics dealers could be detected through investigations of unreported bank deposits and other violations of the

Bank Secrecy Act. If violations are discovered which are drug-related, *assets can be seized which will result* in a general crippling of the entire financial structure of the drug dealer's organization, not just the removal of its leader.

We are very optimistic about the results that financial investigations will achieve, mainly because of the successes of Operation Greenback in Florida.

In summary, we believe that a serious narcotics smuggling threat exists in the New York area. We also believe that the mutual use of Federal, State, and local law enforcement resources is the best way to attack the problem.

We are encouraged by this committee's interest in seeking a more effective use of the Federal, State, and local law enforcement resources, and I again thank you for the opportunity to appear before you today.

Mr. ZEFERETTI. Thank you very much.

Let me ask you this: Do you feel that you have sufficient inspector strength to do a job properly as far as the New York region is concerned, especially J. F. K.?

Mr. LIBERTA. Yes, sir, I do.

Mr. ZEFERETTI. You have enough inspectors to do that?

Mr. LIBERTA. Yes.

Mr. ZEFERETTI. The administration proposes in its 1983 budget that you will lose 153 inspectors and 23 patrol officers. How do you think that is going to affect your efficiency with that kind of budget recommendation?

Mr. LIBERTA. The 156 figure that you received on the cutting of inspectors I believe is something that is premature. There has been no decision made as to if we do get cuts, where the cuts will occur, with the exception of warehouse offices. That is the only targeted position that we have been made aware of.

Mr. ZEFERETTI. I have a letter from the Commissioner, Mr. Von Raab, indicating just exactly what the percentage of cuts will be, what his analysis is. It is quite a specific budgetary statement. So I do not know who is talking to who. I do not know where you are getting your information from but he is the Commissioner of Customs, is he not?

Mr. LIBERTA. Yes, sir.

Mr. ZEFERETTI. So I do not know whether you sit down in any of those personnel meetings but evidently somebody is not getting the right information. I would suggest that maybe you could clear up this question for us by you contacting your office and we doing the same thing with Mr. Von Raab and find out exactly where those cuts are going to be made, if in fact he is premature in his budget allocation proposal for 1983.

Mr. LIBERTA. Sir, my understanding is that the information that you were given was incorrect.

Mr. ZEFERETTI. Did the Commissioner send us incorrect information?

Mr. LIBERTA. Yes, sir. I will get in touch with the Commissioner and request that an updated information letter be forwarded to you.

Mr. ZEFERETTI. When did you get your information, as of what date?

Mr. LIBERTA. As of today.

Mr. ZEFERETTI. As of today?

Mr. LIBERTA. Yes, sir.

Mr. ZEFERETTI. That he made an error on April 27?

Mr. LIBERTA. Yes, sir, that is correct.

Mr. ZEFERETTI. All right. We will clarify that with the Commissioner, because evidently there is something wrong someplace.

Let me ask you one other question. Can you describe to us the cooperation you are getting from some of the other drug enforcement agencies that have that jurisdiction over drug-related crime?

Mr. LIBERTA. Yes, sir. Our major other law enforcement unit that we deal with is DEA. As a matter of fact, the CIP team that I referred to in my statement, which is composed mainly of inspectors, patrol officers, agents, and dog handlers, also has assigned to that unit at least one DEA agent, specifically at Kennedy Airport. I am speaking of Kennedy Airport.

I believe they are in the other two areas also. These individuals deal with us on a daily basis. We have excellent cooperation and very good coordination.

Mr. ZEFERETTI. Do you work out of a task force or have you any type of task force operation that goes with Coast Guard, yourself and DEA, and local police?

Mr. LIBERTA. The Coast Guard; this major liaison unit is the tactical interdiction unit, which is composed of patrol officers in regional offices.

I personally do not have any contact with them at Kennedy Airport, but I believe in the seaport and Newark areas, they have very close coordination and they have been effective in making several seizures in the last several months.

Mr. ZEFERETTI. Can you answer that, Captain, is there a way of communicating intelligence with each other so that everybody is going down the same road, so to speak?

Captain CROSBY. Yes. We do deal directly with the customs patrol officers in local areas. We do have a specific written agreement with the local customs patrol. We do provide mutual information back and forth.

The most recent cases in the local area, the one case mentioned in East Hampton, the Coast Guard was also called on that particular drug seizure and we provided the sea support and offshore support for that particular operation.

The other was a case of a vessel which had sunk off New Jersey, which had 20,000 pounds of hashish I believe on board, which Customs and Drug Enforcement Administration had information about, came to the Coast Guard, we provided the buoy tender and a diving team to assist in recovering the contraband from the sunken vesssel.

In the last several years I have seen the cooperation getting better and better and more and more information being passed back and forth. I have seen it from my position on a cutter in the Gulf of Mexico, and also now from my position here this morning.

Mr. ZEFERETTI. Can I stay with you, Captain?

Has there been an increase in false search and rescue calls at the third district?

Captain **Crosby**. Yes, sir. I understand that to be the case. I do not directly deal in the number of search and rescue cases that are handled, but I do have the information that in the last 2 years they have exceeded 500 cases, whereas in the year before there was only something in the neighborhood of 300-something.

Mr. **Zeferetti**. Would you assume that that is a drug-related activity to sort of get you off the mark.

Captain **Crosby**. Some of them possibly could be that. We know for a fact that a lot of search and rescue hoaxes have been initiated in the southern Florida area and we expect that they may have come up to this coast. But I do not have any hard information that would indicate that the significant increase in those hoax cases in the last 2 years is a ruse to draw our resources away from a drug operation.

Mr. **Zeferetti**. Could you tell us; how do you react? Suppose you got information to follow a particular craft and you do get one of these search and rescue calls, do you stop everything and then respond to the rescue call?

Captain **Crosby**. Well, there is no question, Mr. Chairman, that search and rescue is the Coast Guard's highest priority. That would take priority over an active law enforcement case, if we are pursuing a law enforcement case.

We do charge our operation centers and those personnel that deal with law enforcement on the staffs to evaluate the particular information that comes in a search and rescue case, to look to see whether there are other units that could respond to the search and rescue case before we do draw off a resource involved in an active law enforcement case.

Mr. **Zeferetti**. When I was down in Florida, I indicated in my conversations with Admiral Stabile, about the use of military forces, the Navy specifically, in aiding us in the Florida area that you talked about in your testimony, to sort of seeing if we could develop a blockade with the intelligence apparatus working for us, as far as the Coast Guard is concerned anyway.

Have you taken any kind or have you made any kind of attempt here in the New York area to speak to anybody in the military establishment to see if there is an avenue of cooperation or a cooperative way of sharing equipment, intelligence, communication, anything that might lend itself to the overall problem.

Captain **Crosby**. Yes, sir. Only we deal directly with commander-in-chief, Atlantic Fleet, whose headquarters is in Norfolk, Va. We do utilize the patrol aircraft resources from Brunswick, Maine, which cover most of this particular area. Occasionally we use services of aircraft from Bermuda and we also use the patrol aircraft from Jacksonville, Fla.

We are pursuing with the Navy additional areas of cooperation primarily, as you mentioned, in the intelligence field, in the surveillance field, and now we are even progressing in the area of exploring whether or not Navy resources can be used directly to assist us in towing or escorting seized vessels, or in assisting us with moving arrested persons from an area where they have been arrested back to the United States where they can appear before a magistrate.

We are also investigating the legal consequences of placing qualified Coast Guard boarding personnel aboard naval vessels, where they can actually stop and interdict vessels which are suspected of carrying drugs.

Mr. ZEFERETTI. I commend you for that, because the Coast Guard are especially trained people who have the kind of experience that can go and form a qualified boarding party. That was one of our arguments when debating military assistance. We dmd not want to make soldiers and sailors policemen without their being trained. It is hard enough to get a conviction now without making it more cumbersome.

I might tell you too that our efforts down in Florida long before the task force operation proved successful with the surveillance capability of the E-2C, what we called Operation Thunderbolt. We showed a tremendous amount of land and air identification of drug trafficking activities. We are looking forward to going way beyond that and using the Coast Guard too as an integral part of these surveillance teams because, together, I think we can do the kind of job that will have that impact on the eastern seaboard, not only in the Florida area.

Mr. Gilman?

Mr. GILMAN. Thank you, Mr. Chairman.

I, too, want to commend both of your agencies for the outstanding work you have been doing in the past. We recognize you are sort of operating on one cylinder these days with the cutbacks in the budgets of both areas.

I would like to direct a question to Mr. Liberta.

Mr. ZEFERETTI. May I interrupt you because you were not here. Mr. Liberta said that their agency under the 1983 budget has not been cut.

Mr. GILMAN. That is what I want to explore.

Mr. LIBERTA. Excuse me, sir, I did not say that. You asked me about inspectors. I indicated that was for New York. Sorry, sir.

Mr. GILMAN. We conducted some hearings out at the airport, I guess about 2 years ago.

Mr. LIBERTA. In June 1981, you were there.

Mr. GILMAN. A year ago. You were concerned then about the proposed cutback in last year's budget and how that would affect the opportunity to do some interdicting and proper surveillance at the airport because of a lack of a number of agents. From that time to this time has there been any reduction in inspectors at the airports?

Mr. LIBERTA. Initially there was a cut of six inspectors out of a force of approximately 350. Since then the regional commissioner has reallocated six positions to Kennedy for those six inspectors.

In addition to that, because of our peak period that we get in the passenger processing system at Kennedy, which is between the hours of 3 and 7 o'clock on each and every afternoon, we have been authorized by the commissioner to hire 15 part-time inspectors who will work exclusively in the passenger branch, processing passengers during those peak periods.

Mr. GILMAN. And have they been hired?

Mr. LIBERTA. Right now they are in the process.

I made all the selections. We have to go through full field investigations, et cetera.

Mr. GILMAN. So they have not been put on yet?

Mr. LIBERTA. But they will be next month.

Mr. GILMAN. Has your passenger traffic increased last year in Kennedy?

Mr. LIBERTA. I think very slightly, I think it was something like 6.7 million during fiscal 1981. It is about the same this year.

Mr. GILMAN. And do you feel that you have sufficient personnel out there to meet the needs of that kind of traffic?

Mr. LIBERTA. Yes, sir. I think over the past year, at least in the heroin area, we have had some significant increases. I believe last year we had a total, countrywide, we had a total of 234 pounds of heroin. So far this year, through the end of March, we had 205 pounds of heroin and about 198 pounds of that was for New York.

Mr. GILMAN. So there has been a dramatic increase?

Mr. LIBERTA. Well, sir, I might add, over the past month, the month of April—these figures are not included in the statistics given to the committee—we have picked up another 30 pounds of heroin, 22 of which were picked up this week. We cannot even tell you about it because we just picked it up. I cannot discuss the details because the investigation is still going on.

Last evening we picked up the 24th internal carrier.

Mr. GILMAN. How many people on an average go through those gates in a day?

Mr. LIBERTA. It depends on which day of the week. Saturday is our heaviest day.

Mr. GILMAN. On the heaviest day.

Mr. LIBERTA. On the heaviest day we may get as many as 12,000 people in the International Arrival Building alone.

Mr. GILMAN. How many agents are on in a 24-hour day?

Mr. LIBERTA. We have several tours, sir; it depends on which terminal.

In the IAB we have three tours, one is 8 to 5, we get a tour from 1 to 9 which is our heavier tour. Then we have a 4 to 12 tour.

In British Airways we have a 8 to 5 tour. In Pan-Am——

Mr. GILMAN. Overall, how many agents do you have in all of the international——

Mr. LIBERTA. I would say about 150 on a daily basis that are assigned there.

Remember, they get 1 day off during the week.

Mr. GILMAN. They screen how many people in 1 day in the heaviest day?

Mr. LIBERTA. It is hard to say.

The only thing I can tell you is, we try to staff for every 30 passengers that will come in within a given hour, we try to put one inspector there.

Mr. GILMAN. You have 150 but how many people are going through in 24 hours?

Mr. LIBERTA. Again, I cannot give you——

Mr. GILMAN. Approximately.

Mr. LIBERTA. I know what comes in in a year. That was 6 million passengers. I would have to compute that for 1 day.

Mr. ZEFERETTI. You know one of the things that we get as Congressmen too, unrelated to narcotics activity, is the complaints we get about Customs and how long it takes to get out of that terminal. One of the things we hear is that "we get in at 3, we don't get out of there until 4 hours, 5 hours later."

You are confronted with a lot of people doing a great deal of work with a hell of a lot of responsibility and not only looking for drugs but looking for other contraband. So it is quite an effort.

When you say to me, however, I have enough inspectors, I do not know how to accept that as a bona fide proclamation. When I go through that terminal I get a little preferential treatment. But I look behind me I know there are going to be people there 3 and 4 hours after I get out of there. I do not know whether you have enough people for those peak hours.

Mr. LIBERTA. Sir, you have been in the International Arrival Building. You know there is only space there for 30 inspectors in each wing. I cannot put more than 30 inspectors in the terminal.

Now, because of the peak periods that we have, I can give examples. Take a typical Saturday.

We have an east wing and a west wing. We get as many as 1,900 to 2,000 people that come into a west wing within a 1-hour period. There is no way in the world I can staff that place to handle that workload.

Similarly, I have a responsibility to the American public. I cannot put all my inspectors on an 8 to 5 tour so I can process passengers more quickly. I cannot do anything about the peak periods, at least from my standpoint. I cannot do anything about the building that we are working with. We are staffing it as heavily as we can.

As I indicated before, the part-timers will be used for that specific purpose so we can staff as heavily as we can.

Mr. ZEFERETTI. Where are you going to put them?

Mr. LIBERTA. Five in the IAB, five in Pan-Am; five in TWA.

Mr. ZEFERETTI. You only got 30 slots. Where are you going to put them?

Mr. LIBERTA. That is what I am saying. We will make sure that the slots that we have are filled.

Mr. ZEFERETTI. I am sorry.

Mr. GILMAN. What about the shipment part of it, the freight shipment, cargo shipment?

Mr. LIBERTA. We have a similar number of inspectors assigned.

Mr. GILMAN. In addition to the 150?

Mr. LIBERTA. I would say yes, 150 inspectors assigned for cargo.

Mr. GILMAN. Why is it you hear, over the past few months periodically, that virtually the control is gone because they are short handed and because of the traffic that comes through there? Is there no basis for that?

Mr. LIBERTA. I don't think there is any basis for that. I think our figures indicate that our enforcement efforts have increased, if anything; in fact——

Mr. GILMAN. You are satisfied you have enough personnel to handle the problem?

Mr. LIBERTA. Yes, sir; yes, sir.

Mr. GILMAN. Captain, with regard to the Coast Guard, I know a good deal of your equipment, some personnel, were pushed into the Florida area, into the immigration problem.

Has some of that returned now, or are you still short handed?

Captain CROSBY. Well, things looked a lot darker in March than they do now, sir. As a matter of fact, the units that I deal with, I got a net gain of one unit. It was a unit dedicated to oceanographic research, which was a program which was reduced somewhat, and so the cutter was transferred from that program to me for law enforcement.

So I have had a net increase of one cutter among the cutters.

Mr. GILMAN. Do you find you have sufficient equipment to do the kind of interdiction responsibilities you have?

Captain CROSBY. We always like to get more to do a higher interdiction rate. We are estimating right now that prior to the big push that we are involved with now, which Customs and Drug Enforcement Administration are also involved in, we anticipate probably only about 15-percent interdiction rate of that 60 percent of marihuana that comes by sea.

Now, we feel we are up in the area of where we may be getting 25 percent or a little bit more. We do have some long-range goals in the Coast Guard to interdict more than that, and we have established in our Coast Guard headquarters what resources we feel we would need to achieve those particular interdiction rates.

We do have new equipment which is under construction right now, which are surface vessels, fixed-wing aircraft, and also helicopters. Once those get into our operation, we will take a look and see how their increased capabilities are helping us in this interdiction effort.

Mr. GILMAN. Have you been able to interdict any of the mothership type operations in the last year?

Captain CROSBY. Yes, we have. The 1981 figures, excuse me, the fiscal year 1982 figures, up through the 16th of April, we had seized 146 vessels. Not all of those are motherships, but I would say at least half of them are motherships.

The average, I think, has been running somewhere in the vicinity of about 10,000 pounds per vessel seized.

Mr. GILMAN. Most of that is marihuana?

Captain CROSBY. Yes, sir.

Mr. GILMAN. Are you having any more effectiveness with regard to small craft? I know there has always been a problem about examination of small craft that come in and out of marinas, harbors, and rivers. How is your enforcement effort with regard to small craft?

Captain CROSBY. Well, there are high-speed small craft that we have had a particular difficulty with, particularly in the areas coming from the Bahamas or off the northern Bahaman island chain into either the south central or northern Florida coast, or even on up into the Georgia or South Carolina coast.

We do have a problem with those faster boats, but they can't carry very much. So we have been trying to concentrate primarily on the motherships and also the larger contact vessels over which we have a speed advantage.

We do use our aircraft and helicopter resources if we can to keep up with these faster contact boats and through cooperation with the local customs try to find out the information where that vessel may be going and meet it there when it comes into the rivers and harbors.

Mr. **GILMAN**. We have a great deal of traffic go in the metropolitan area with small craft. Is there any policing effort undertaken with regard to these small craft?

Do you do periodic inspection?

Captain **CROSBY**. Yes, sir, we try to board as many of those vessels as we can. But there are so many of them that the percentage of boardings that we actually conduct is very low.

Mr. **GILMAN**. In boarding, have you found some smuggling operations in the small craft?

Captain **CROSBY**. Not in the small craft that we have boarded, up in this area, sir.

Mr. **GILMAN**. I note that there was a recent case where they did some unloading in the Hudson River in the Poughkeepsie region. Has there been much trafficking in the Hudson? I am particularly interested, because you get into my district there.

Captain **CROSBY**. That is a customs case, sir, but we have been trying to provide what information we can to customs. We have been passing information as far as the sighting reports that we obtain from both our surface vessels and aircraft, plus any other sighting information we get from other agencies or the Navy.

Those vessels which may be connected with that operation are passed as soon as we get it to customs patrol.

Mr. **GILMAN**. Has there been a good sharing of information from the other agencies to your agency, DEA, FBI?

Captain **CROSBY**. We haven't got much directly from the FBI as yet, but we use the clearinghouse in El Paso. The intelligence center there has a clearinghouse for all agencies passing information. Any information, plus sightings that we get, we do send immediately by message to the El Paso Intelligence Center.

These other cases that we work with on a local basis, we pass that information immediately by telephone, face-to-face contact, what have you.

We do work closely with DEA, especially from information which is coming out of Colombia.

Mr. **GILMAN**. You said there are some resources that you have been talking about with national headquarters. Have you made requests for additional equipment that has not been granted at this time?

Captain **CROSBY**. Well, it is based on an objective and a goal. Our goal of 50 percent interdiction rate, for instance, which, we have that as a goal by 1987, if we are to achieve that goal, then we feel we are going to need the resources that have already been discussed by the Commandant of the Coast Guard.

I believe that information is available, if your committee wishes it. I know it has been made available to the House Subcommittee on Navigation and Coast Guard.

Mr. **ZEFERETTI**. We have that.

Mr. **GILMAN**. I guess that is about all.

Thank you, Mr. Chairman.

Mr. ZEFERETTI. Thank you Mr. Liberta.

If I can just ask one more question: It is my understanding from the New York region there has been some 22 patrol officers and 8 special agents and a couple of clerical people that went down to the task force in the southern tier of Florida. Has that impacted your operations at all?

Mr. LIBERTA. No, sir. We had a couple of things happen that helped us out. First of all, they instituted a central communications center in the region known as Sector, which in my case saved me about four or five positions. I was able to get some desk jobs eliminated, and those people are now out in the field.

In addition to that, because of the current approach to our interdiction process, even though we have less people, there is no question we have less people in the regional office who are in the patrol division, they have developed liaison and cooperation with many local and State government units; whereas in the past they would go into an area and try to develop cases on their own. They are now getting people from these units who are working with them. As I mentioned in my statement, that was the proof, the seizure that was made out on Long Island.

Mr. ZEFERETTI. How many patrol officers do you have on your staff?

Mr. LIBERTA. On my staff?

Mr. ZEFERETTI. Yes.

Mr. LIBERTA. Seventy-five.

Mr. ZEFERETTI. That includes this 22 that went down to Florida?

Mr. LIBERTA. I am talking about Kennedy now. We have a total of 183 in the whole region; 22 went to Florida from the whole region.

Mr. ZEFERETTI. That has not created any problems.

Mr. LIBERTA. No, sir.

Mr. ZEFERETTI. You don't have any overtime as a result?

Mr. LIBERTA. No, sir.

Mr. ZEFERETTI. So you can function with 22 less men?

Mr. LIBERTA. I believe we function pretty well, yes, sir.

Mr. ZEFERETTI. So if they cut your budget by 22 in the patrol force, that would be OK?

Mr. LIBERTA. I don't know that they are going to cut it. My understanding is that those assignments are temporary.

Mr. ZEFERETTI. I know that. But you are saying it has no impact on your overall patrol capability. So, by all figures that are indicated here, you could work with 22 less people.

Mr. LIBERTA. That would not be up to me to determine, sir.

Mr. ZEFERETTI. I notice that. Thank you very much.

We will take a 5-minute break.

[Brief recess.]

Mr. ZEFERETTI. Our next panel of witnesses will be Mr. George White, chief of the organized crime unit of Nassau County; Mr. Francis McGovern, commanding officer, narcotics squad, Nassau County—may I say congratulations; I was informed you were just promoted to deputy inspector; congratulations—Lt. Richard J. Siee, chief narcotics officer, Suffolk County.

Gentlemen, we have your written statements. We appreciate your taking the time to come and, beyond that, for having the patience and courtesy to stay with us and working right through.

We have your written statements. They will be made part of the record. You can proceed in any way that you feel comfortable.

Start from left to right, middle, whichever way you want.

Mr. McGovern?

TESTIMONY OF FRANCIS R. McGOVERN, COMMANDING OFFICER, NARCOTICS SQUAD, NASSAU COUNTY

Mr. **McGovern**. Yes.

I have the privilege of commanding a squad of 60 men in Nassau County. We aim at all levels of narcotics dealers. I have broken it down into three basic areas, street-level dealers; drug diversion, which are illicit drugs diverted into illicit areas; I have a team of men assigned to a Long Island task force that works with the DEA.

We feel we are doing a fairly successful job. We do need the Federal assistance in our drug program primarily because of money. I will have to admit that, sir.

The county is a suburban county. the types of drugs that we see in our county are marihuana, first off; then we go into cocaine, some heroin, and pills, Quaaludes, amphetamines, so on.

That basically covers it. I would be glad to answer any questions you have.

Mr. **Zeferetti**. Thank you.

Mr. White?

TESTIMONY OF GEORGE D. WHITE, CHIEF, ORGANIZED CRIME UNIT, NASSAU COUNTY POLICE DEPARTMENT

Mr. **White**. As prior commanding officer of the narcotics squad, I spent 15 years in that capacity, dealing with drugs and people who use drugs. Probably our biggest problem in Nassau County, which is a bedroom community for New York City, is the availability of drugs from New York City.

I think we all are aware that New York City is the hub of the drug traffic, at least in the Northeast.

It is coming through our airports. As the case that a Suffolk County Police Department had and other cases, we have worked with DEA, Customs, Coast Guard; we are not being naive to feel there is not smuggling operations and havens for warehouses of drugs on Long Island.

The coastline of Long Island is very conducive to a smuggling operation: beaches, many inlets, and many bays. We had many cases and much information to do with the smuggling of drugs into Nassau County—although, again, much of what we have seen or information we get of the drug smuggling operation into Nassau and Suffolk Counties, much of it is being brought in and, of course, transported into New York City. Then, in turn, we get it back again.

I am a little bit dismayed; there was a question asked before of Customs. I think if we lose any kind of Federal assistance in the New York area, whether it be 1 man, or 10 men, or 100 men, it is going to hurt us.

I think if you take 22 patrol or inspectors or Customs people out of an area, particularly. J. F. K. airport where we see it constantly coming in—we have made several arrests, one was for several kilos of heroin being smuggled in through J. F. K. airport to some of our residents in Nassau County—I think if you take the planes away from Customs, you take their boats, their people, I think the residents of Nassau County, particularly that I am concerned with, are going to pay the penalty.

It might be easy to say that 22 will not hurt us a lot, but it is going to hurt us. Any help that we lose from the Federal Government in the direction of stopping the flow of drugs into this area has got to hurt us, if it happens.

In dealing, of course, with the DEA, I was fundamental, as the commanding officer, in setting up the task force with DEA, and, of course, our sister county to the east, Suffolk County.

I think it has worked out very well. I see some problems, too—that in the last few quarters, near the end of the fiscal 1981 year, it was the loss of money that they were supplying us with and helping us—as most communities and most governmental agencies, we are in a budget bind.

People in Nassau County, just don't have the money to go out for an ounce of cocaine and spend $2,000 on a regular basis. So that working with the DEA was a big assistance in being able to do this. Through the task force we have assigned eight police officers and one sergeant and have worked steadily and cooperatively with them since 1972.

I think cutting DEA budgets and task force by moneys and equipment is going to hurt people in Nassau County.

With reflection as to the new merger of the DEA and FBI, I have worked with the FBI on other cases and found them to be cooperative. We don't know how it is going to work as far as the FBI's venture into the drug field.

We have worked very well with the DEA in that field. We are going to have to sit and wait and see how it does work. Again, I think if adding the FBI's manpower and resources, I think it can only help us go after the bad guys.

So I would be willing to answer any questions that you have.

Mr. **Zeferetti**. Thank you very much.

Lieutenant Siee?

TESTIMONY OF LT. RICHARD J. SIEE, CHIEF NARCOTICS OFFICER, SUFFOLK COUNTY

Lieutenant **Siee**. There is not much more I can add to what has been said here, because we are neighboring counties, and our problems are similar. We have one additional problem; that is, we have 12 airports in our county. Some as short as 1,500 feet and, of course, McArthur, which is quite long.

We also have a lot more undeveloped shoreline. As a result, I developed an interdiction unit within our department that works with the DEA. We have been successful in the last 2 years, quite successful.

One of the things we did manage to accomplish was to seize almost $1 million in cash on our first case. This is the working capital used. One of the previous speakers indicated he did not see a need for a State forfeiture statute. We do see a need for it. In fact, I was in Albany last month attempting to work on just such a form of legislation to get this type of forfeiture.

We are very limited in forfeiture in New York State by law. We are limited to seizing vehicles and boats that are used to transport either narcotics, gambling paraphernalia or records and pornography. Marihuana does not fall into that category.

So you can have a brand-new truck transporting many tons of marihuana, seize it, which we have done, and we can't keep it under the State statute.

If it is a totally local case, you have to work it in a way to get it into the Federal system so that the Federal Government can seize it. That is primarily the only real difference in our operations.

One bit of personal insight from 19 years of police experience: I have worked with just about every Federal law enforcement agency that I can think of—IRS, ATF, Treasury, Customs, so forth. I have never—I have never experienced the cooperative effort, the team effort, the team spirit—it just did not matter who signed your paycheck or who you called boss, there was one attitude: let's go out and get the bad guys. I have never experienced it with any other agency as I have with DEA.

I don't know if it is going to change with the merger. I don't know. But I do know it has been fantastic in the past, especially on Long Island, especially in the effort that has been expended, especially on the results that we have enjoyed, and I really hope that it does not change for the worse.

Narcotics enforcement, there is millions of dollars to be made, millionaires are being developed every day; there is organization in it, we know that, but, by the same token, we are talking about a type of business where there is so much money there are maverick organizations starting up every day.

As a result of that, it may not be as totally sophisticated as some other types of organized crime, and you may just need that type of investigator who is able to roll in the street, who is a knock-down street fighter, to get in there, to become part of those organizations, so that we can get into the heart of them and break them down and hopefully eliminate the problem we are facing.

That pretty much concludes any initial thoughts other than what is in the written statement, and I prefer not to read that.

[Lieutenant Siee's prepared statement appears on p. 140.]

Mr. ZEFERETTI. Thank you, Lieutenant.

Those statements will be made part of the record.

I could not agree with you more. You know it was not too long ago that when we talked about drugs in New York City, the idea was that it only permeated the city people, the South Bronx, Harlem, parts of Brooklyn, but you stand up here today and come forward to address us is a great indication; it shows that not only the concern and efforts in law enforcement goes beyond the New York City area, but that the drug problem has impacted on your area to such an extent that you are creating to working collectively with Federal law enforcement to combat drug trafficking.

You are saying for the first time that you need more than the local law enforcement; you need DEA, FBI, and you need us. You need us to supplement whatever activities you have to make it possible for you to have the tools to do your job. That is really what it is all about.

When you talk about seven airfieids out there, you are absolutely correct. I worry about those airfields. I am one of the few people advocating the use of the E-2-C aircraft, which is made out in your area, by Grumman, because I envision a time we are going to need that kind of air and land capability to interdict the smuggling coming in.

I am concerned, too, right now about the loss of manpower, equipment that the Coast Guard has pointed to as far as the cutters are concerned and the customs aircraft surveillance that we are losing to go down to southern Florida.

Don't misunderstand some of my comments that I may have said earlier. Southern Florida has a terrible problem. They are trying to combat it in the best way possible. But I think for all of us to understand that the best way to combat this evil is not by sending men and equipment in a concentrated way to one area, maybe it is best to have a concentrated effort in every part of our Nation that has an influx of drugs.

If we need extra manpower in Florida, I am sure there is going to come a time when we are going to need it in New York; there will come a time when we will need it on the gulf coast, and there is going to come a time when we will need it on the west coast. So maybe we can learn from that.

Maybe we can learn how to meet the requirements of those areas so we never get to that point of reacting to a crisis situation.

I really appreciate and respect your testimony here today. I don't have a lot of questions to ask you. I just want to say thank you.

I want to tell you that we are aware of your jobs.

I agree with you, I am disenchanted when I hear a director or supervisor of an agency tells me he can lose 22 men and not be impacted or affected by it. I scratch my head. I came out of law enforcement. When I lost five men out of rotation that meant a hell of a lot to me so I can't understand how their plan works.

I feel very strongly that if we are going to do anything we have to draw that kind of awareness out in the open and make people not only in this administration but people in general understand that we need resources to do our job better, strengthen it a bit more in order for us to combat drug trafficking activity.

J. F. K. is a place where drugs are coming in at the rate that nobody really knows. We are just lucky that we are catching those that we can, as little as that amount is; our enforcement capability is still not sufficient.

Whatever that gentleman says, as far as Customs is concerned, it is only one iota, one parcel of the stuff that is coming in. They are doing a good job, they are doing the best job they can possibly do with what they have. But it does impact on your community, on my community, my constituents, it impacts on the city, it is impacting on the country, because once you get a point of entry you never know where it is going to end up; not only in Nassau, N.Y., but has its impact on Connecticut, the whole Northeast and the South, too.

So we are just looking for a coalition of effort and an awarenness that makes it possible for people to understand, for Government to understand what is necessary.

You are stepping forward, really, you are to be commended and we thank you.

I am going to give you a chance to make further comments. I want to tell you you are not forgotten. Whether it is Nassau County or New York City, it is all part of the region.

Mr. WHITE. I think much that is impacting on Nassau, Suffolk, and New York City, there is much—you offered the help of Congress and the State Department. Very important.

I go back to the days of French connection, where all our heroin of purity was coming out of Turkey. The State Department and U.S. Government worked with Turkey and finally eventually changed the handling of the poppy being grown. We cut that connection.

If you look at our statistics you can see where the Federal Government, working with the Government of Turkey—you can see where Nassau County in the early seventies had a serious heroin problem for a normally white average community—it worked by working with other governments, and working with them we stopped that connection.

Mexico then started with their brown heroin and their marihuana. Now we work very closely and we worked that out. We are not seeing a lot of that. In fact we are not seeing any brown heroin at all, to my knowledge, in Nassau County.

Mr. ZEFERETTI. You have an increase in Nassau County right now?

Mr. WHITE. Yes, but it is not as great as it was in the early seventies.

Mr. ZEFERETTI. You wouldn't call it epidemic?

Mr. WHITE. No. But it is increasing. For a period of years we did not make heroin arrests of any quantity. We did not see a lot of narcotics around. We are seeing that now, which shows it is increasing.

Mr. ZEFERETTI. I do not understand, how are you making heroin arrests if you don't have an activity of heroin going on?

Mr. WHITE. No. We do. Several years ago we were not making a lot of heroin arrests but now the arrests are increasing. We did not have that for a period of time. Again, most of the heroin is coming out of New York City. Probably our biggest problem has to do with cocaine, counterfeit Quaaludes, and marihuana coming out of Colombia.

I think the Government should move in a direction of working with the Colombian Government to cut off that source as they did with Turkey.

Mr. ZEFERETTI. We have, to be quite fair.

This administration, the prior administration, too, have been trying to work out an eradication process with not only Colombia but Peru and other nations. We just keep needling the State Department, telling them that any time they create economic assistance programs that eradication has to be an ingredient that they have to talk about and which can be effective.

We just returned not too long ago from Peru where we started about a $24 million program to show the people that they could produce something else other than coca. But now it is like everything else, it costs money.

On the hand, when you have high dollars, involved in coca production, it is tough to tell somebody to grow potatoes when they can grow this other stuff and send it out and make all kinds of money. But to be fair, they are attacking it in the best way they know how.

Mr. **White**. It has worked with and Turkey, and pretty well in Mexico. I know we have had some information coming here that the government has worked out some things, firing on and seizing a Colombian ship, of course with Colombia's approval.

I think that is the direction to go. It would be so much easier if we stop it right where it is instead of waiting to catch it on a plane or coming into a port.

Mr. **Zeferetti**. We have to help them too with legal assistance. As it stands right now, the Coast Guard goes out, makes one of those catches, comes back and, through my experience, because I went with them on one, the very same people that we arrested that day were the very same people that were arrested 5 weeks before. We just turned those individuals around in the immigration process and shipped them right back because it was cheaper for us to send them home rather than put them in jail here.

So there has to be some kind of legal assistance to give foreign nations muscle so they can do their job. They are trying. They are doing a good job. It is our responsibility to give them the kind of resources to make it work and to cooperate with you in a way so there is a coalition of effort.

Again let me thank you for having the patience and staying with us.

Mr. **McGovern**. I found in my time cooperation from the Coast Guard, Customs Patrol, DEA and IRS, other Federal agencies, has been tremendous. They are there to help us any time we need it. In fact, right now you have cases going on with two of the agencies where my men are working as teams with Customs and IRS.

Mr. **Zeferetti**. Good, we are happy to hear that. Let's hope they result in convictions.

Thank you very much, gentlemen.

That will conclude the hearings. The record will be kept open for written statements and for questions to be forwarded to all participants.

[Whereupon, at 3 p.m., the select committee adjourned.]

PREPARED STATEMENT OF
DISTRICT ATTORNEY ROBERT M. MORGENTHAU
AND SPECIAL NARCOTICS PROSECUTOR STERLING JOHNSON

On May 2, 1980, we appeared before this Committee to testify about the likely explosion of heroin use in the New York City area. In spite of our facts, figures, and cries for help, the federal government has done little, if anything, to help New York City. In January, 1981, a new administration arrived, telling us that it was committed to fight violent and narcotic crimes. An Attorney General's task force was formed and confirmed what we have been saying for the last three years. The recent tremendous increase in violent crime is related to the increased availability of narcotics and, specifically, heroin.

In New York City, the crisis that we predicted in 1980 is now upon us. A brief examination of the heroin indicator factors for this area will confirm this.

One of the strongest indicators, heroin/morphine emergency room episodes, has increased 323% between the third quarter of 1978 and the third quarter of 1981. Deaths due to drug dependence and cases of Serum Hepatitis B+ have also substantially risen.

Admissions into heroin programs increased between 1978 and 1979 from 18,644 to 23,464. Through the first quarter of 1980, heroin admissions continued to climb until the programs reached capacity. Currently, there is a waiting list of 1400 names. Significantly, 71% of the current admissions indicate heroin as the primary drug of abuse as opposed to 60% in 1978.

The New York City Police Department reports that opiate arrests increased 21% between the second half of 1980 (4,022) and the comparable period in 1979 (3,334) and increased 62% between the first half of 1981 (5,450) and the comparable period (3,361) in 1980. In 1981, the police made an average of 900 opiate involved arrests per month as compared to 600 in 1980, an increase of 50%.

Earlier this year, federal officials seized 37 pounds of pure heroin. Several weeks later they seized another 115 pounds of heroin, the highest single seizure since 1974. At no time after these seizures was there a panic. In fact, the New York City Police Laboratory reports that its sampling of the street purity of heroin is running between 2% and 14%; significantly ahead of the 1%-2% in 1978 and 1979.

The Rikers Island inmate detoxification unit reports that the number of admissions increased 34% between 1979 and 1980. In 1981, there were 10,954 admissions, an increase of 13% over the already high 1980 figure.

The conclusion from these figures is inescapable. There is more heroin than ever in our streets. More heroin means more violent and property related crimes. Unfortunately, in the face of this crisis the federal government has cut off funding for New York City narcotics enforcement, prosecution, court and jail programs. This is wrong!

Foreign policy is in the exclusive domain and responsibility of the federal government. Neither New York City nor all the urban centers together can straighten out the governments of Southeast and Southwest Asia and stop the flow of heroin. For a year and a half, this administration has talked about the problem, reshuffled its drug enforcement agents and had experts evaluate the crisis. To what end? There is no doubt that the administration's intentions are good and its people capable. Unfortunately, talk and good intentions are not going to solve the problem. The heroin crisis is receiving the lowest priority when it comes to the bottom line which means funding.

It is a disgraceful paradox that we are spending billions of dollars for defense where the enemy has yet to kill anyone and ignoring a war where the enemy kills our people daily. We must make a greater effort to fight narcotics production worldwide. According to the former Administrator of the Drug Enforcement Administration, there has been no dollar increase in the amount budgeted to fight worldwide narcotics production since 1976. We must give morphine producing countries help in destroying poppy fields and heroin laboratories by providing them with the manpower and equipment to do so. Above all, we must remember that the Constitution of the United States places the responsibility of maintaining domestic tranquility on the federal government.

New York City and New York State are struggling with very limited resources to deal with the crisis which is national and international in nature. The federal government has the obligation to either directly apply federal resources or give them to the local government to deal with this problem. If the federal government would give New York City police and prosecutors one-quarter of the amount budgeted to recommission the Battleship New Jersey, we could make significant inroads into the heroin problem.

PREPARED STATEMENT OF
DANIEL J. COURTENAY
CHIEF, ORGANIZED CRIME CONTROL
NEW YORK CITY POLICE DEPARTMENT

THE HISTORY OF THE NEW YORK CITY POLICE DEPARTMENT'S INVOLVEMENT IN THE FIGHT AGAINST DRUG ABUSE REFLECTS A LONG AND SERIOUS COMMITMENT TO CURTAIL THE PROBLEM. CITY AND STATE ADMINISTRATIONS OVER THE YEARS HAVE IMPLEMENTED SOCIAL REFORMS, INTRODUCED VARIOUS LEGISLATIVE ENACTMENTS AND EXPERIMENTED WITH DIVERSE ENFORCEMENT APPROACHES, BUT IN SPITE OF OUR PAST AND PRESENT EFFORTS, WE CONTINUE TO BE FACED WITH A PROBLEM OF MONUMENTAL PROPORTIONS.

IN 1981, THE NEW YORK CITY POLICE DEPARTMENT EFFECTED MORE THAN 23,000 ARRESTS FOR NARCOTICS VIOLATIONS. WE ALSO SEIZED 143 POUNDS OF HEROIN, ALMOST 200 POUNDS OF COCAINE AND 7,000 POUNDS OF MARIJUANA. WE TAKE PRIDE IN OUR ABILITY TO SEIZE, REMOVE AND DESTROY THESE SUBSTANCES FROM CIRCULATION. BUT WE ARE DELUDING OURSELVES IF WE ASSUME WE REMOVE FROM DISTRIBUTION MORE THAN 10% OF THE AVAILABLE NARCOTICS. CONSIDER THE 90% THAT DEFIES OUR EFFORTS AND ULTIMATELY REACHES THE CONSUMER.

WITH ALL OUR EFFORTS, IS OUR CITY BETTER ABLE TO ENJOY THE FRUITS OF OUR LABOR? ARE WE BETTER OFF THAN WE WERE 20 YEARS AGO? I THINK NOT. AVAILABILITY OF DRUGS AND ABUSE BY OUR CITIZENS FLOURISHES IN OUR COMMUNITY.

OUR EXPERIENCE INDICATES THAT LOCAL LAW ENFORCEMENT CANNOT, BY ITSELF, ELIMINATE ILLEGAL MARKETING IN DRUGS. THE VAST PROFITS INVOLVED, THE EXPERTISE OF THOSE WILLING TO RISK APPREHENSION, THE SEEMINGLY

BEST COPY AVAILABLE

INEXHAUSTIBLE SOURCE OF SUPPLY, THE WORLD-WIDE NATURE OF PRODUCTION, THE ALMOST INFINITE NUMBER OF IMPORT POINTS AVAILABLE, AND THE GROWING SOCIAL ACCEPTANCE OF SUCH DRUGS AS COCAINE AND MARIJUANA ADD TO THE BURDEN OF ALREADY UNDERMANNED MUNICIPAL POLICE AGENCIES FACED WITH INCREASING CRIME RATES AND DEMANDS FOR SERVICE.

ALLOW ME TO PRESENT AN OVERVIEW OF OUR ENFORCEMENT UNDERTAKINGS DURING THE PAST DECADE, HIGHLIGHTS OF PROGRAMS PRESENTLY IN EFFECT AND A GENERAL FORMAT FOR THE FUTURE. AS YOU WILL SEE, OUR OVERALL EFFORTS HAVE BEEN RELATIVELY UNSUCCESSFUL, SOMETIMES COUNTER-PRODUCTIVE, AND OFT TIMES UNPOPULAR. THE END RESULT BEING AN ALMOST NEVER ENDING RESTRUCTURING OF PRIORITIES AND STRATEGIES TO MEET NEW DRUG RELATED TRENDS AS THEY DEVELOP.

IN THE MID 1960S, NEW YORK CITY INSTITUTED A CIVIL COMMITMENT PROGRAM AGAINST THOSE PERSONS ARRESTED FOR CRIMES WHO ADMITTED TO BEING DRUG DEPENDANT. WHILE IN CIVIL DETENTION, REHABILITATIVE TREATMENT WAS PROVIDED. THIS STRATEGY WAS SOON ABANDONED AS IT PROVED INEFFECTIVE IN PREVENTING NEW ADDICTION. IN THE LATTER PART OF THE 1960S, NEW YORK ADOPTED A METHADONE TREATMENT PROGRAM THAT INVOLVED THE ADMINISTRATION OF AN ACCEPTABLE SUBSTITUTE TO HEROIN ADDICTS IN AN EFFORT TO REPLACE THE NEED FOR A DAILY "FIX". IT WAS THOUGHT THAT AS A RESULT OF THIS PROGRAM ADDICTS WOULD BE FREE OF THEIR HABIT, AND THERE WOULD BE A SIGNIFICANT REDUCTION IN CRIME, PARTICULARLY BURGLARIES, LARCENIES AND OTHER PROPERTY CRIMES. ALTHOUGH THIS PROGRAM WAS SUCCESSFUL IN STABILIZING THOSE ADDICTS

WHO VOLUNTARILY SOUGHT TREATMENT, IT DID NOT AFFECT THOSE WHO REMAINED OUT OF THE PROGRAM AND HAD A LIMITED IMPACT UPON THE TOTAL DRUG PROBLEM. BY THE EARLY 1970S, IT WAS COMMONLY AGREED THAT AS A DEVICE TO LIMIT DRUG USE AND ADDICTION, THIS STRATEGY HAD LARGELY FAILED.

IN 1972, ACCIDENTAL NARCOTICS DEATHS IN NEW YORK STATE HAD INCREASED ALARMINGLY. AS A CONSEQUENCE, IN 1973, GOVERNOR ROCKEFELLER AND THE NEW YORK STATE LEGISLATURE ATTEMPTED A NEW APPROACH WHICH CHANGED THE LAW TO PRESCRIBE SEVERE AND MANDATORY PENALTIES FOR DRUG OFFENSES AT ALL LEVELS. PENALTIES RANGED FROM ONE YEAR IN JAIL TO LIFE IMPRISONMENT.

THE LAW OF 1973 HAD TWO PRINCIPLE OBJECTIVES. FIRST, IT SOUGHT TO FRIGHTEN DRUG USERS OUT OF THEIR HABIT AND DRUG DEALERS OUT OF THEIR TRADE THEREBY REDUCING ILLEGAL DRUG ABUSE, OR AT LEAST CHECKING ITS GROWTH. SECONDLY, IT AIMED TO REDUCE CRIMES COMMONLY ASSOCIATED WITH ADDICTION, PARTICULARLY ROBBERIES, BURGLARIES AND THEFT. IT WAS THOUGHT THAT THIS "GET TOUGH" POLICY WOULD RESULT IN THE INCARCERATION OF A NUMBER OF MAJOR DEALERS AND AT THE SAME TIME DETER OTHERS FROM ENTERING INTO THIS ILLICIT TRADE. THE LAWS WERE LOOKED UPON NEGATIVELY BECAUSE THEY FAILED TO DISTINGUISH BETWEEN THE FIRST OFFENDER, GUILTY OF A LOW LEVEL SALE OR POSSESSION, AND THE HARDENED RECIDIVIST ARRESTED FOR TRAFFICKING IN LARGE QUANTITIES OF NARCOTICS.

ULTIMATELY, THE FUTILITY OF THIS EFFORT WAS RECOGNIZED AND IN 1979 THE ROCKEFELLER LAWS WERE MODIFIED TO BROADEN THE RANGE OF PENALTIES AVAILABLE TO PROSECUTORS FOR FIRST TIME OFFENDERS AND PROVIDED MORE STRINGENT PENALTIES FOR SECOND FELONY OFFENDERS.

IN THE MID 1970S, DEPARTMENT STRATEGY SHIFTED FROM MASSIVE STREET ARRESTS TO THE PURSUIT OF MID LEVEL AND MAJOR DRUG DEALERS. AT THE SAME TIME, INTERNATIONAL AGREEMENTS BETWEEN THE UNITED STATES AND OPIUM-PRODUCING COUNTRIES REDUCED THE FLOW OF HEROIN INTO THE CITY. THE COMBINATION OF THESE ACTIONS RESULTED IN A SIGNIFICANT DIMINUTION OF HEROIN TRAFFICKING IN THE CITY AND FOR A BRIEF PERIOD IT APPEARED THAT IN-ROADS WERE BEING MADE.

SUBSEQUENTLY, IN 1977, THE NEW YORK STATE LEGISLATURE, RESPONDING TO POPULAR PRESSURE, PASSED THE MARIJUANA REFORM ACT, WHICH DRASTICALLY REDUCED THE PENALTIES FOR ITS SALE AND POSSESSION. THIS ACT, IN EFFECT, DECRIMINALIZED THE PRIVATE USE OF MARIJUANA. PENALTIES FOR POSSESSION WERE REDUCED TO A POINT WHERE SUCH VIOLATION IS NOW TANTAMOUNT TO NOTHING MORE THAN A TRAFFIC INFRACTION. UNFORTUNATELY, THE END RESULT OF THIS ACTION HAS BEEN A MASSIVE INCREASE IN BOTH THE AVAILABILITY AND POPULARITY OF THE DRUG. IN SPITE OF THOUSANDS OF POLICE ACTIONS PER YEAR VIA SUMMONS OR ARREST, THE CITY IS PLAGUED WITH A SMALL ARMY OF MARIJUANA DEALERS WHO INFEST OUR PARKS, COMMERCIAL AREAS AND AMUSEMENT CENTERS.

WE ARE NOW INUNDATED WITH 800 "SMOKE SHOPS" OR BOGUS STORE FRONTS OPERATING THROUGHOUT THE CITY THAT DEAL MARIJUANA ON A CONTINUING BASIS. MANY OF THESE SHOPS ARE IN CLOSE PROXIMITY TO SCHOOLS AND HAVE BEEN THE SUBJECT OF NUMEROUS COMPLAINTS FROM PARENTS, EDUCATORS AND CONCERNED COMMUNITY GROUPS. IN RESPONSE TO THIS, THE NEW YORK CITY NARCOTICS DIVISION UNDERTOOK "OPERATION 3RS" WHICH HAS RESULTED IN OVER

1800 ARRESTS IN THE VICINITY OF SCHOOLS OVER THE PAST SEVERAL MONTHS. IT SHOULD BE NOTED THAT 92% OF THOSE ARRESTED WERE NON-STUDENTS. MANY OF THESE ARREST SITUATIONS CONCERNED ELEMENTARY SCHOOLS.

IN THE LATTER PART OF THE 1970S WITH RECULTIVATION OF OPIUM AND EMERGENCE OF NEW SOURCE COUNTRIES IN SOUTHWEST ASIA, IT WAS APPARENT THAT HEROIN WAS BECOMING MORE AVAILABLE. AS A RESULT, STREET TRAFFICKING IN THIS DRUG INCREASED WITH A CONCOMITANT DEMAND BY THE COMMUNITY FOR POLICE RESPONSE. THROUGH ADDITIONAL ENFORCEMENT ACTIVITY WE WERE ABLE TO SLOW THE INCREASED HEROIN AVAILABILITY, BUT AT THE SAME TIME REALIZED THAT RECREATIONAL USE OF COCAINE NEGATED WHATEVER SUCCESS HAD BEEN OTHERWISE ACHIEVED. COCAINE HAS INCREASED IN POPULARITY AS A DRUG OF CHOICE IN OUR SOCIETY. IT IS SOLD THROUGHOUT THE CITY, PRIMARILY IN SOCIAL CLUBS, NEIGHBORHOOD HANG-OUTS, BARS, DISCOS AND IN LARGER PARKS. TO MEET THIS CHALLENGE AND PRESERVE "QUALITY OF LIFE" AT THE COMMUNITY LEVEL, THE NARCOTICS DIVISION HAS SHIFTED ENFORCEMENT EMPHASIS FROM MAJOR DRUG VIOLATORS TO LOW LEVEL STREET DEALERS.

AT PRESENT, IN NARCOTICS ENFORCEMENT, WE ARE MERELY FIGHTING A BATTLE OF CONTAINMENT AND ANY HOPE OF OVERCOMING THIS DILEMMA IS FAR INTO THE FUTURE.

CONDITIONS IN NEW YORK CITY, WHERE 534 OVERDOSE DEATHS OCCURRED IN 1980 AND 300 MILLION DOLLARS IN ILLEGAL DRUGS WERE SEIZED IS TYPICAL

OF MAJOR CITIES IN THE UNITED STATES AS A WHOLE, WHERE 11,250 COCAINE-RELATED HOSPITAL ADMISSIONS WERE EXPERIENCED IN 1981.

THE PROBLEM IS A PERVASIVE ONE FROM CALIFORNIA TO NEW YORK, FROM MEXICO TO CANADA. DRUG TRAFFICKING DOES NOT RECOGNIZE STATE LINES OR INTERNATIONAL BOUNDARIES. IT IS NOT CONFINED TO ONE CORNER OF OUR COUNTRY OR ONE SEGMENT OF SOCIETY. THE FEDERAL GOVERNMENT MUST ACCEPT A STRONGER LEADERSHIP ROLE IF WE ARE TO STEM THE RISING TIDE OF DRUG ABUSE.

I STRONGLY REMIND YOU THAT NONE OF THE CIRCUMSTANCES OUTLINED ARE A CONSEQUENCE OF A PRODUCT DEVELOPED WITHIN OUR COUNTRY. WITH THE EXCEPTION OF A SMALL PERCENTAGE OF MARIJUANA, ALL OF THE "DRUGS OF CHOICE" UTILIZED IN THE UNITED STATES ARE BROUGHT IN THROUGH CLANDESTINE AND ILLEGAL OPERATIONS.

A THOROUGH EVALUATION OF GOVERNMENT POLICY CONCERNING DRUG ENFORCEMENT MUST BE UNDERTAKEN AT THE HIGHEST LEVELS, INVOLVING BOTH THE EXECUTIVE AND LEGISLATIVE BRANCHES. INTERNATIONAL NARCOTICS CONTROL MUST BE ELEVATED IN PRIORITY WHEN FORMULATING FOREIGN POLICY, KEEPING IN MIND THE FREQUENTLY STATED STRATEGY TO ATTACK THE SOURCE OF SUPPLY ABROAD BY ERADICATION IN THE FIELDS. A RE-EXAMINATION OF THE ROLE THE INTELLIGENCE GATHERING COMMUNITY PLAYS IN NARCOTICS CONTROL SHOULD BE CONDUCTED AND A GREATER PERCENTAGE OF FEDERAL FUNDS ALLOCATED FOR DOMESTIC ENFORCEMENT, TREATMENT AND REHABILITATION OF DRUG ADDICTS.

UNITED STATES ECONOMIC ASSISTANCE PROGRAMS SHOULD ALSO BE

CAREFULLY RE-EVALUATED. COUNTRIES PROFITING FROM OR ALLOWING OPEN DRUG CULTIVATION SHOULD BE EXCLUDED. IN ADDITION, TREATIES SHOULD BE EXAMINED, RE-NEGOTIATED WHERE APPROPRIATE, AND PRESSURE SHOULD BE PLACED ON GOVERNMENTS WHICH EXPRESS AN UNWILLINGNESS TO DEAL WITH PROCESSING PLANTS OPERATING WITH VIRTUAL IMMUNITY WITHIN THEIR BORDERS. A CONCENTRATED ATTEMPT SHOULD BE UNDERTAKEN TO INTERDICT ILLEGAL IMPORTS COMING FROM SOURCE COUNTRIES SUCH AS IRAN, PAKISTAN AND AFGHANISTAN WHERE CROP/INCOME SUBSTITUTION PROGRAMS ARE POLITICALLY INFEASIBLE.

THE UNITED STATES MUST ALSO SERVE AS AN EXAMPLE TO OTHERS AND LEAD THE WAY IN HEALING OURSELVES BY DEVELOPING EFFECTIVE REHABILITATIVE PROGRAMS AND BY EXTERMINATING DOMESTIC MARIJUANA CROPS. IT IS UNREALISTIC FOR US TO SEEK ASSISTANCE FROM OUR GLOBAL PARTNERS IF WE CANNOT DISPLAY A SELF-INITIATIVE WORTHY OF IMITATION.

IN THE INTERIM, FEDERAL TASK FORCES OF THE DRUG ENFORCEMENT ADMINISTRATION NOW BASED IN 16 MAJOR CITIES SHOULD BE IMMEDIATELY STRENGTHENED AND EXPANDED TO ASSIST LOCAL LAW ENFORCEMENT IN SUPPRESSION OF NARCOTICS TRAFFICKING. HERE IN THE METROPOLITAN AREA, WE HAVE REALIZED EXTRAORDINARY SUCCESS WITH THIS CONCEPT. PRESENTLY STAFFED WITH 29 FEDERAL AGENTS, 21 STATE TROOPERS AND 69 NEW YORK CITY POLICE DEPARTMENT INVESTIGATORS, THIS UNIT HAS BEEN RESPONSIBLE FOR ALMOST ONE BILLION DOLLARS IN DRUG SEIZURES SINCE ITS INCEPTION IN 1970, INCARCERATION OF NUMEROUS MAJOR VIOLATORS AND CONFISCATION OF SIX MILLION DOLLARS IN CURRENCY. WITH ALL SUPPORT SERVICES PROVIDED BY THE DRUG ENFORCEMENT

ADMINISTRATION, AND POLICY SET BY RANKING OFFICIALS OF THE PARTICIPATING AGENCIES. THIS FORMAT ALLOWS DIRECT INTERVENTION OF THE FEDERAL GOVERNMENT COUPLED WITH LOCAL INPUT INTO ENFORCEMENT UNDERTAKINGS.

THE COORDINATION OF EFFORT BETWEEN THE DRUG ENFORCEMENT ADMINISTRATION, THE NEW YORK STATE POLICE AND THE NEW YORK CITY POLICE IN THE JOINT TASK FORCE HAS BEEN A MAJOR FACTOR IN SUCCESSFUL NARCOTICS LAW ENFORCEMENT, WITHIN THIS CITY.

IN FORMULATING LONG RANGE ENFORCEMENT POLICY, IT IS RECOMMENDED THAT ALL BRANCHES OF THE MILITARY BE INCREASINGLY UTILIZED IN SUPPORTIVE AND OPERATIONAL FUNCTIONS TO INTERCEPT AIR AND SEA VESSELS SUSPECTED OF CARRYING CONTRABAND.

FINALLY, IT IS MY CONTENTION THAT NO DISCUSSION ON NARCOTICS ABUSE AND CONTROL WOULD BE COMPLETE WITHOUT COMMENT ON PREVENTIVE PROGRAMS. IF WE ARE COMMITTED TO MAKING AMERICA A SOCIETY FREE OF DRUG ABUSE, WE MUST START WITH THE EDUCATION OF OUR CHILDREN AT THE EARLIEST AGE. WE ALL AGREE THAT THE YOUTH OF OUR NATION IS THE FUTURE OF AMERICA. IT THEN NECESSARILY FOLLOWS THAT THERE MUST BE A NATIONAL EFFORT TO PROVIDE THEM WITH FIRST-HAND KNOWLEDGE OF THE EFFECTS OF DRUG ABUSE AND THE DANGERS THAT IT PRESENTS TO THEM. PARENTS MUST BE ASSISTED IN THEIR GUARDIANSHIP ROLES THROUGH EDUCATION OF THE SYMPTOMS AND RESULTS OF DRUG ABUSE BY THE YOUNG. THIS IS NOT AN EASY TASK. OUR COMMITMENT MUST BE TOTAL. IT WILL CALL FOR DEDICATION, PERSEVERANCE AND INVOLVEMENT AT ALL LEVELS OF GOVERNMENT WITH COORDINATION AND ASSISTANCE FROM FEDERAL AGENCIES.

IT IS A TIME TO ADMIT OUR SHORTCOMINGS, TO WORK TOGETHER, AND TO LOOK TO NEW PROGRAMS AND INITIATIVES. CONGRESSIONAL HEARINGS HAVE BEEN HELD, SPEECHES HAVE BEEN MADE AND PROPOSALS HAVE BEEN DRAWN AND RE-DRAWN. DRUG ABUSE MUST BE RECOGNIZED AS A NATIONAL PROBLEM, WHICH, IF NOT ERADICATED, WILL BE LEFT TO OUR CHILDREN AND IN TURN TO THEIR CHILDREN. GENTLEMEN, WE CANNOT AFFORD TO WAIT ANY LONGER.

THANK YOU.

PREPARED STATEMENT OF
JOHN S. MARTIN, JR
U.S. ATTORNEY, SOUTHERN DISTRICT OF NEW YORK

The United States Attorney's Office in the Southern District of New York has had a long standing reputation as being aggressive in the prosecution of large scale drug prosecutions. These prosecutions have in general been conducted by members of this Office's Narcotics Unit - which is the oldest Federal unit of its kind. At the moment there are 11 members in the Unit, including the Chief of the Unit. Each major prosecution by that Unit has been the result of a painstaking investigation conducted closely with at least one law enforcement agency.

ASSOCIATED AGENCIES

Throughout its existence, the Narcotics Unit has worked closely with the agents and officers of the Drug Enforcement Administration ("DEA") and its predecessor organizations, the New York Drug Enforcement Task Force and the New York City Police Department. From time to time the Unit has had occasion to collaborate with the New York State Police, and with other Federal agencies, including Customs, the Coast Guard and the Immigration and Naturalization Service. While the involvement with DEA has been constant, the volume of referrals from the New York Drug Enforcement Task Force has varied. In the last year or so, for instance, the bulk of the Task Force's investigations have been referred to the Special Narcotics Prosecutor (Mr. Sterling Johnson) rather than to this Office.

While the role of the Federal Bureau of Investigation ("FBI") in the prosecution of drug trafficking has been rather limited in the past, with the advent of the new agreement signed in January by Director William H. Webster of the FBI and by Acting Administrator Francis M. Mullen, Jr., of the DEA, we expect to see a significant expansion of the FBI's involvement in this area of law enforcement.

PRIORITIES

While this Office has been active in the prosecution of the illegal distribution of all types of controlled substances, by doctors and pharmacists as well as by common criminals, the top priority has always been prosecution of heroin trafficking. As I am sure the spokesman for DEA will point out, New York City continues to have an enormous heroin problem. As long as that remains a major problem, it remains our top priority. Indeed, as DEA continues to allocate most of its resources in this District to heroin-related investigations, our prosecutions necessarily follow suit. I will describe some of our major heroin prosecutions a little later.

Nevertheless, we are well aware of the problems created by other drugs, such as cocaine, marijuana and controlled substances. Consistent with the time commitments required by the emphasis on attacking heroin, we prosecute such cases. For instance, in United States v. Aprea, 12 defendants pleaded guilty just before trial to conspiracy to import and distribute 23,000 lbs. of marijuana which came into this District by ship and was unloaded from the Hudson River, near Poughkeepsie. The

RKN:mj
9-711/1

particular marijuana is a type known as "Columbian Gold", a high quality product which had a wholesale price of about $340 per pound, which was nearly one-hundred dollars greater than the usual wholesale price of "commercial" marijuana.

Similarly, a pharmacist is presently charged with dispersing over 400,000 doses of "loads" in the past two years from one of three pharmacies owned by him. Loads consist of a combination of two prescription drugs: Doriden, which is legitimately prescribed as a sleeping pill and codeine. When taken together these drugs deliver a heroin-like high. They are also highly addictive and extremely dangerous. "Loads" are believed generally to be used by white middle class customers as a cheap ($8 a dose) substitute for heroin. The street value of 400,000 doses of "loads" in New York dispensed by this pharmacist is estimated to be well in excess of $3,000,000. The same pharmacist allegedly sold by prescription an additional 100,000 "loads." Many of these prescriptions were written by one doctor.

Our priority remains the prosecution of significant cases, e.g. large conspiracies or single prosecutions of high level offenders. However, it is also important to prosecute middle level distributors, both for the deterrent value, and because some of those defendants will want to provide testimony against their suppliers in exchange for bringing the defendant's cooperation to the attention of the judge who will sentence him. Accordingly, when DEA and the Task Force develop such cases, we try to prosecute them.

STATUTES AND ENFORCEMENT TOOLS

Historically, the basic statutes utilized against narcotics trafficking prohibited the importation, distribution and possession of narcotics, and further prohibited conspiring or attempting to do any of the above. In the last several years, this Office has utilized supplementary statutes as well. This Office has obtained significant results by the use of electronic surveillance as a means of investigating narcotics suppliers.

A. Section 848

Effective in 1970, Congress supplemented the basic legislation with Title 21, United States Code, Section 848, which is aimed at so-called continuing criminal enterprises in narcotics. Under Section 848, a person who occupies a supervisory or management position in a narcotics organization of five or more persons, faces a jail term of a minimum of ten (10) years and a maximum of life without parole, as well as a fine of up to $100,000. As importantly, under Section 848 the convicted person faces the forfeiture of any profits which were obtained in the continuing narcotic enterprise and the forfeiture of any property or claim which affords him a source of influence over that enterprise. These penalties are potentially significantly more onerous than those under the basic statutes.

RKN:mj
9-711/1

In the last several years, this Office has brought a number of prosecutions under Section 848. The forfeiture provisions are proving to be particularly significant, both in depriving the criminal of his ill-gotten gains, and providing a vehicle for returning those assets to the public's benefit.

B. RICO

Forfeitures are also an element of another statute being increasing utilized by this Office in narcotics investigations, particularly in situations where the defendants are part of an organization which commits both narcotics offenses and non-narcotic related crimes. This tool is the so-called RICO statute (Title 18, United States Code, Sections 1961-1963) which prohibits the conducting of an enterprise through a pattern of racketeering activities, and which defines racketeering activities to mean not only acts such as murder, extortion and the like, but also dealing in narcotics. A person convicted of a RICO violation may be required to forfeit any interest in the enterprise which was acquired or maintained in violation of the statute, as well as forfeit any property right or other interest affording a source of control over the enterprise.

Under both Section 848 and RICO, the criminal prosecution determines what is to be forfeited. Thereafter, however, the Assistant United States Attorneys in this Office's Civil Division become involved in carrying out the forfeitures. To facilitate that process, as well as to provide Civil Division Assistants with exposure to criminal cases and to provide support to the Narcotics Unit, we are beginning a program of, in selected cases, assigning a Civil Division Assistant to participate in the criminal trial of indictments in which RICO forfeitures are expected.

C. 881

The Civil Divison of our Office also becomes involved in another kind of forfeiture action aimed at narcotics offenders. This third narcotic forfeiture device, embodied in Title 21, United States Code, Section 881, does not require an actual criminal indictment to trigger it. Under Section 881, all narcotics and dangerous drugs which were manufactured, acquired or distributed in violation of the provisions of Title 21 are forfeited to the United States, as also are any raw materials, or equipment used to illegally manufacture or process narcotics. Perhaps the most well known part of this statute requires the forfeiture to the United States of aircraft, vehicles and vessels which are used to transport or facilitate the distribution of narcotics illegally. Also subject to forfeiture is any money which was, or was intended to be, used to buy narcotics illegally, as well as monetary proceeds traceable to an illegal sale of narcotics.

Some small forfeitures under Section 881 are handled by DEA through internal administrative procedures. However, if money or property worth more than $10,000 is involved, or if the purported owner of the property posts a bond, then the matter is handled in the United States District Court, and our Civil Division Assistants conduct the litigation.

RKN:mj
9-711/1

With all three forfeiture statutes, the money goes back to the public treasury, rather than being earmarked for some particular purpose, such as narcotics enforcement. On the other hand, seized vehicles are customarily made available to the seizing agency. Because expensive cars such as Mercedes Benz and Cadillacs are often favored by drug traffickers, in many instances it is important that undercover agents utilize cars like these if they are to appear convincingly to be major drug traffickers. Seized vehicles are of particular use in this regard.

D. Electronic Surveillance

In addition to using Section 848 and RICO as the back bone of many major prosecutions, we continue to work closely with DEA (and expect now to work more with the FBI in this area), in determining if investigation has supplied the factual predicates necessary to apply (under Title 18, United States Code, Sections 2510-2519) for a court ordered wiretap or bug, to most effectively develop information about the suppliers of narcotics. A court-ordered bug or wiretap is available only as a last resort, because the wiretap statute requires that the application for the electronic surveillance include a full and complete statement as to whether or not other investigative procedures have been tried and failed, or why they reasonably appear to be unlikely to succeed if tried, or too dangerous to be tried. In many cases, however, court ordered electronic surveillance is the only method of gaining evidence against those who operate large scale narcotic organizations. Electronic surveillance is essential in such cases because these individuals insulate themselves from the actual narcotics transactions carried out by their underlings.

(i) Time Demands

In addition to the legal restrictions against using a wiretap as the first stage of an investigation, very practical reasons militate in favor of using court-orderd wiretap and bugs sparingly. Both tools are enormously labor intensive, and utilization of them demands the diversion to them of manpower resources otherwise being used elsewhere.

At the outset, putting together the information needed for the written application requires substantial efforts by the agents, and substantial time from the Assistant United States Attorney who will be drafting the papers to be submitted in court. Once authorization is obtained, an off-site facility relatively near to the intercepted telephone or premises is normally used to monitor the conversations. In order to comply with the statutory mandate that the interception be minimized, agents must always be physically present with the recording and monitoring equipment whenever it is being used, in order to shut it off when non-criminal conversation is being conducted by the subjects of the wiretap. Normally, at least two agents must be with the equipment at all times. Still other agents must be available to conduct surveillances in response to information obtained on the wire.

RKN:mj
9-711/1

The time of the supervising attorney and the agent responsible for conduct of the wiretap or bug is also heavily engaged during operation of the wiretap because the results must be systematically analyzed, and written reports rendered to the supervising judge every five or seven days. Both to prepare these periodic reports and to render the tapes usable at any later trial, transcripts of the recorded conversations must be prepared on at least a selective basis. Transcript preparation is an arduous and painstaking task, and to be done with the precision required for trial, requires many, many hours of labor. Obviously, if the conversations are in a foreign language such as Spanish, the number of persons qualified to assist in the process is more limited, so the time demands upon them are particularly great.

While the use of a wiretap or bug involves a major commitment of manpower, the results that can be achieved through the use of these techniques are often highly significant.

(ii) Investigative Predicates To A Wiretap

Most typically, an undercover agent is introduced by an informant as a narcotics dealer, buying narcotics at an intermediate level of an organization. Through select purchases of increasing quantities, the undercover agent attempts to determine the identity of the participants at the original level, as well as work himself up in the chain of distribution.

However, given that narcotics distribution is motivated by greed, with the price increasing at each stage, intermediate suppliers are understandably reluctant to disclose to their customers who the ultimate source of supply is, lest the customer try to bypass the intermediate with his middleman's share of the profit. Or, if the intermediate works for the supplier, there will have been an agreement between the two that as a protection from law enforcement, the supplier is not to be seen by customers. It is when the undercover operation has reached this limit of penetration that the wiretap becomes particularly significant in making prosecutable cases on the source of supply.

Of course, for the undercover agent to get to a sufficiently high level that surveillance, pen register activity plus other clues surrounding the undercover purchase can form part of the factual basis for a wiretap application, a significant amount of money must be spent to buy the narcotics. To project authenticity as a dealer, an undercover agent must be prepared to buy large quantities at a single purchase. With the price of illegal drugs high, the dollar cost of making significant undercover purchases is startling. An eighth of a kilogram of high purity heroin may sell for as much as $35,000. Nor can the expenditure of funds be avoided by a "buy and bust" if the undercover is to remain in place, and a wiretap tried. Only when the covert phase is terminated can an arrest be substituted for a purchase.

As the above makes clear, a wiretap or bug is not a total panacea in an investigation.

RKN:mj
9-711/1

F. Search Warrants

Search warrants have historically played a vital role in narcotics cases. In complex investigations, they are particularly useful. During the covert phase of the investigation as much information as possible is gathered with regard to where narcotics, firearms, money and other assets are kept. In anticipation of arrests, it is common that a first volley of several search warrants is prepared. Based on evidence seized in executing these warrants, as well as information obtained from the arrested defendants, a second round of warrants frequently issues. In cases in which electronic surveillance is being utilized, information gained from such surveillence is often extremely useful in identifying areas in which narcotics are stored, thereby providing a basis for search warrants.

The key to successful utilization of search warrants is timing, so that the contrabrand and evidence being sought are not moved before the warrants are executed. Hence it is desireable to have nearly simultaneous execution of the several warrants, a feat which requires many, many agents to accomplish. The drafting of the affidavits in support of the warrants must also be done quickly, and requires an intensive commitment of time by the Assistant United States Attorney who is assigned to the investigation.

RKN:mj
9-711/1

ILLUSTRATIONS

Examples of utilization of the statutes and techniques which I have described abound. Let me mention a few of the more significant cases that have been developed by use of these techniques.

A. United States v. Loften, et al.

In August, 1981, we successfully concluded the prosecution of James Loften and other members of his organization, for conspiracy to distribute massive quantities of heroin and cocaine over a 14-year period in New York City, Detroit, Michigan and Washington, D.C., for organizing and operating a continuing criminal enterprise, and for conspiracy to violate the anti-racketeering laws (RICO) by investing the proceeds of heroin and cocaine dealings in real estate, numerous commercial businesses, gold and silver mines, and in diamond brokering and mineral ventures in Zimbabwe. In the course of DEA's investigation of the Loften narcotics organization, which culminated in a series of arrests in New York and New Jersey, over 19 pounds of heroin, ranging in purity from 2% to 78% had either been purchased by DEA agents working in an undercover capacity, or had been seized.

Court-ordered wiretaps were utilized in the investigation, and hundreds of pages of transcripts were painstakingly prepared for potential submission to the trial judge. The trial lasted approximately two months. Due to the complexity of the financial evidence and the volume of the evidence regarding narcotics distribution, three Assistant United States Attorneys jointly tried the case.

At the conclusion of the Loften case the jury returned a special verdict declaring forfeited to the United States under Section 848 and RICO assets valued at over $2 million. These included a condominium in New Jersey, having a market value of over $100 thousand, and the valuables Loften stored there, including (a) 15 fur coats, valued at $43 thousand, (b) jewelry, valued at $58 thousand, (c) art objects, valued at $49 thousand and (d) clothing and fixtures, valued at $80 thousand. Loften's residence in New Rochelle, New York, valued at $275 thousand, and Loften's jewelry, valued at $240 thousand, was also forfeited to the United States, as well as a number of Loften's commercial buildings located on Eighth Avenue in New York City. The jury's special verdict also declared forfeited 18 motor vehicles owned by the Loften organization valued at approximately $200 thousand, including a 1935 Mercedes, a 1939 Rolls Royce, and a 1977 van which had been specially converted by Loften into a rolling palace, including 14 karat gold exterior paint with 23 karat gold trim, a wet bar, glove leather seats, Italian crystal chandeliers and Belgian tapestries.

The jury's special verdict and the District Court's order declaring these assets forfeited has not given the Government the absolute right to dispose of these assets. Since the conviction of James Loften was affirmed, the Government has received petitions filed on behalf of allegedly innocent third parties who are seeking mitigation or complete remission of the forfeitures. With respect to the motor vehicles, several petitioners who have mechanics liens are claiming that they performed restoration and/or customizing work on Loften's cars and had monies owed them at the time the Government filed the Loften indictment and obtained an ex parte order freezing all of Loften's known assets. These petitions are being investigated by DEA and it will report its findings to my Office, and our recommendation will then be forwarded to the Justice Department.

Other petitioners are seeking to challenge the special verdict itself, in effect claiming that certain of these assets were not the proceeds of Loften's narcotics trafficking over the last 14 years. Despite the fact that the trial jury found, beyond a reasonable doubt, that all of these assets were part of the continuing criminal enterprise or acquired by Loften in violation of RICO, these claims will ultimately have to be resolved in the District Court, and will involve further work by my Office.

Several of the Loften defendants received noteworthy fines or sentences. For instances, James Loften was himself sentenced to a total of 25 years imprisonment plus a total of $160,000 in committed fines. Two other defendants were sentenced not only to jail terms, but also must pay committed fines totalling $50,000 each.

RKN:mj
9-711/1

B. United States v. Anthony Todisco, et al.

Todisco involved a five-month investigation, including use of a court-authorized wiretap on Todisco's telephone. Arrests of nine defendants followed five separate undercover purchases of heroin -- of one ounce, three 1/8th kilograms and a half kilogram of heroin, each of which was 90% - 98% pure. A final three-kilogram undercover purchase was arranged, and arrests were effected in the midst of that deal. At that time DEA agents seized a total of about five kilos of heroin from three locations, plus about $300,000 (including retrieval of the pre-serialized government money which had been expended for the 1/2 kilogram bought that day), an array of pistols, shotguns, derringers and silencers, and huge quantities of mannite, baggies, etc. On the day of the arrests, agents also seized 7 vehicles, with an average value of $15,000. Agents executed search warrants at seven locations, where additional monies, guns, paraphernalia, narcotics and records were seized.

The investigation revealed that Todisco supplied kilogram quantities on a regular basis to numerous buyers in New York, Baltimore and elsewhere, and led to initiation of prosecution of James Loften, described in detail above.

All nine defendants were convicted. Todisco was sentenced to 30 years, and co-defendants received sentences of from 4 years to 20 years. Todisco, and two other defendants had prior federal narcotics convictions; a fourth defendant had a prior state narcotics conviction.

RKN:mj
9-711/1

C. United States v. Willard Williams, et al.

In the Williams investigation agents arrested 25 persons, following an eight-month investigation, including use of a bug, wiretap, video surveillance and undercover purchases. Ultimately, in nine indictments, 29 defendants were indicted. Fourteen (including Williams who pleaded guilty to violating Section 848) pled guilty, and nine were convicted after various trials, including a seven week trial of seven of the defendants, conducted by two Assistant United States Attorneys.

During the course of the investigation, agents were able to arrange only three undercover buys, including a purchase of an 1/8th kilogram of 66% pure heroin. Additionally, from the bug and records seized from Williams' garbage and his apartment, it was learned that his organization was trafficking 3 - 4 kilos of heroin a month. Also during the period of electronic surveillance, Williams received about 4 kilograms of cocaine which he, in turn, sold to his distribution network. Defendants Anthony Porcelli and Robert Guippone were Williams' suppliers of kilogram quantities of heroin, and some cocaine. Williams also supplied Saint Julian Harrison, a major narcotics distributor for many years, who had his own distribution network, similar to Williams'. Harrison's heroin and cocaine trafficking was at the same level as Williams', and he paid $2 - $3 million to Porcelli and Guipponne for heroin supplied in one 4 month period. Harrison, Porcelli and Guippone were all convicted after the seven week trial.

On the day of the arrests, and in the next four days, agents seized 1 kilogram of cocaine, 3 revolvers with silencers, huge quantities of drug paraphernalia and various records from Williams' apartment, $400,000 from his (and his daughter's) safe deposit boxes, $40,000 of jewelry from Porcelli and $20,000 in a bank account of his, 400 rounds of ammunition from Robert Guipponne, a sawed-off shotgun, 6 boxes of ammunition, cocaine and voluminous records from Harrison, and guns, ammunition and narcotics from other defendants. In addition, 25 cars were seized with a total value of approximately $200,000.

Seven of the defendants have been previously convicted of federal narcotics charges. Sentences are scheduled for May 7, 1982.

D. United States v. James Hillard, et al.

This pending prosecution results from a several year investigation conducted by the White Plains Police Department, Union County (N.J.) Prosecutor's Office and DEA of the Harlem heroin ring known as "Black Sunday." A New Jersey state authorized wiretap, which yielded little, was followed by a two and a half month Federal wiretap and a one month "bug", which identified the 13 persons presently under indictment, and two heroin preparation and storage sites. At the conclusion of the investigation these "mills" or "stash pads," several of the residences of the co-conspirators and a safe deposit box were searched pursuant to warrants and the Government recovered approximately 15 lbs. of heroin, several drums of diluents, all manner of narcotics' preparation paraphernalia, 12 handguns and automatic rifles, ammunition and bullet-proof vests, about $75,000 in gold and diamond jewelry and more than $250,000 in cash.

The heroin recovered had been analyzed to be about 70% pure in bulk quantities and an average of 6% purity for packaged amounts. This street strength is higher than the typical street purities and confirms informant reports that Black Sunday was the most powerful heroin in Harlem.

The 13 defendants are all charged with conspiracy to distribute heroin; the ringleader James Hillard is charged with engaging in a continuing criminal enterprise; James Hillard and his top lieutenants are also charged with a conspiracy to use firearms to commit a federal felony, and there are other charges as well. In the § 848 count the Government seeks the criminal forfeiture of a laundromat business, gold and diamond jewelry, two cars, a large screen television and approximately $250,000 in cash. The case is scheduled for trial in June.

E. United States v. John Messina

Five defendants were convicted as participants in a large scale heroin distribution ring operating in New York City, Westchester County and northern New Jersey. The lead defendant, John Messina, was previously convicted of federal narcotics charges. The case was developed by a undercover agent who was making (and trying to make) heroin buys, use of a pen register, and a 20-day wiretap on Messina's home telephone. Heroin seized or bought in the case was of very high purity -- ranging from 94% to 100%.

COOPERATION WITH OTHER PROSECUTORS' OFFICES

Narcotics trafficking is not limited to particular geographic areas. It is common for a narcotics organization to function in more than one borough of this City and to have contacts outside of the city. Since the inception of the Special Narcotics Prosecutor's Office, this Office has worked closely with the Assistant District Attorneys in that Office. Mr. Sterling Johnson, the present Special Narcotics Prosecutor, is in frequent contact with the Chief of the Narcotics Unit in our Office. Each helps the other. For example, because federal law permits use of the uncorroborated or minimally corroborated testimony of an informant, while New York State law does not, Mr. Johnson from time to time refers to us cases based on such evidence.

Similarly, the members of our Office's Narcotics Unit are in frequent communication with their counterparts in the Eastern District of New York. If this Office is seeking a pen register or a search warrant in the Eastern District, my Assistant drafts the papers while an Eastern District Assistant United States Attorney normally makes the arrangements for the court appearance. A reciprocal practice is utilized when the Eastern District needs help here.

RKN:mj
9-711/1

Occasionally an investigation orginally supervised by my Office when fully developed has so few Southern Districts contacts that it should more appropriately be tried by an Eastern District Assistant in the Eastern District. In that situation, we have made the fruits of our investigation available to the Eastern District.

For instance in the Fall of 1981 this Office supervised an undercover and wiretap investigation of a heroin distribution ring centered around a long-time narcotics dealer, Nicholas Gregoris. Gregoris had been reputed to be the financier for over 385 pounds of heroin seized in Florida in 1972 and had been linked to numerous other narcotics deals, but had never been successfully prosecuted. Through the course of this investigation varying amounts of heroin up to 90% pure were purchased from Gregoris' associates. In a series of arrests and seizures, Gregoris and four associates (including a Lebanese heroin importer) were apprehended and approximately 11 ounces of heroin, $19,500 in cash and two Cadillacs were seized. Because the significant seizures occurred in Brooklyn, the United States Attorney's Office for the E.D.N.Y. has cooperated in assuming responsibility for the actual prosecution of the five defendants.

RKN:mj
9-711/1

CONCLUSION

My Office remains committed to its historical practice of devoting a substantial amount of its resources to fighting narcotics trafficking. While we recognize the ever growing presence of drugs other than heroin in New York City, the heroin problem here is substantial and it remains our top priority. We are endeavoring to use the available resources of our Office to develop cases against major distributors of heroin in the New York City area. The development of cases against such individuals is difficult and requires a commitment of substantial manpower. In the end, however, such cases have a far greater impact on the distribution of narcotics than would be achieved by bringing a far greater number of prosecutions against low-level dealers.

PREPARED STATEMENT OF EDWARD R. KORMAN, U.S. ATTORNEY, EASTERN DISTRICT OF NEW YORK

1. *Resources.*—The United States Attorney's Office for the Eastern District of New York has a specialized Narcotics Unit designed to handle major narcotics cases assigned to members of that unit. All members of the Narcotics Unit are experienced Assistants with extensive trial experience and long standing relationships with the Drug Enforcement Administration, United States Customs Service, the Internal Revenue Service, Immigration and Naturalization Service, United States Coast Guard Service and the New York City Police Department. Through the years the United States Attorney's Office has worked closely with the Drug Enforcement Administration District offices in New York, at John F. Kennedy International Airport and the Long Island District Office in Huntington, Long Island. Under the recent reorganization of the Drug Enforcement Administration, the operations at the airport and Long Island offices Districts have been merged into the New York District Office. The United States Attorney's Office for the Eastern District of New York through the years has enjoyed a good working relationship with the Brooklyn District Attorney's Office, the New York Special Narcotics Prosecutor's Office and the United States Attorney's Office for the Southern District of New York.

2. *Priorities.*—Targets of narcotics investigations conducted by this Office's Narcotics Unit have been members of major international narcotics enterprises, typically importers and wholesalers of large quantities of narcotics and other controlled substances. Since the early 1970's heroin prosecutions have been the principal office priority; and, since 1979 this focus on heroin has resulted in the targeting of members of traditional organized crime families, principally Italian heroin importers and wholesalers responsible for most of the heroin imported into the United States. Large quantities of pure heroin have been seized at airports and various Customs facilities in the metropolitan area. The largest and most significant of these seizures have been concealed in shipments of freight or luggage imported from Italy. Indeed, in January of this year, the United States Customs Service and the Drug Enforcement Administration seized approximately 115 pounds of pure heroin—the largest heroin seizure in the United States since 1973—consigned to a gift shop in Brooklyn. A description of this and other examples of major heroin prosecutions in the District are discussed below.

These prosecutorial priorities almost necessarily conform with investigative priorities established by the Drug Enforcement Administration. The New York District Office of DEA has allocated the principal part of its resources to heroin interdiction and heroin related investigations. The New York District Office and the airport office have augmented their resources in international investigations by working closely with Drug Enforcement Administration district offices in Rome, Paris and Brussels. During the past year a special Task Force within the New York District Office, Part of Centac 25, was formed specifically for the purpose of concentrating on Sicilian heroin traffickers. The Special Task Force has concentrated on the activities of a major narcotics organization thus allowing members of the Drug Enforcement Administration assigned to JFK International Airport facility to concentrate on traditional narcotics border intradiction work.

Notwithstanding the high priority accorded heroin prosecutions, this office has prosecuted significant members of cocaine cases, again involving major international traffickers. These cases have been characterized by seizures of large amounts of cocaine, huge hoardes of cash and large numbers of arrests. After over two years of investigation, this Office and the Drug Enforcement Administration Task Force's special cocaine strike force, assigned to investigate major Colombian cocaine traffickers in Queens, succeeded in eliminating one of the country's largest cocaine importation/distribution rings. I might add that a major portion of the substantive cocaine cases, located in Jackson Heights developed by the Task Force have been referred to the Special Narcotics Prosecutor's Office for prosecution.

Marijuana cases and other cases involving dangerous drugs are also prosecuted by this Office consistent with the priorities described above and with office manpower limitations. We recognize the problems those substances present, but the urgency of the heroin problem requires great selectivity in the cases we accept for prosecution. We nonetheless concentrate on the higher levels in the manufacture/importation/distribution chain. During the past year in *United States* v. *Ansurian*, we prosecuted members of the organization responsible for the 23.5 tons of marijuana and ½ million quaaludes seized from the Terry's Dream in Jamaica Bay in November 1978.

3. *FBI/DEA Reorganization.*—The recent FBI/DEA reorganization anticipates an expanded role for the FBI in narcotics investigations. We expect that the reorganization will further this Office's objectives and emphasize long term, complex, inter-

national investigations which are characterized by extended financial investigations, the use of court-ordered wiretaps, the tracing of assets and use of the formidable federal civil and criminal asset forfeiture provisions. The expanded FBI role will provide additional manpower and technical resources, as well as important intelligence information about the narcotics activities of organized crime. Given the extensive involvement of organized crime in heroin and drug trafficking, the Bureau's ancillary enforcement efforts should aid significantly in identifying appropriate targets. We feel that the Bureau's financial expertise will add a formidable tool in identifying and tracing forfeitable assets. The reorganization should thus impact positively on our efforts to identify and convict major narcotics traffickers under the Continuing Criminal Enterprise Statute, 21 U.S.C., § 848, the federal narcotics conspiracy laws, (21 U.S.C., § 846 and 21 U.S.C., § 963) and the Racketeering Influence and Corrupt Organization [Rico Statute] (18 U.S.C., § 1961 seq.). This Office expects to continue to make substantial use of the federal tax laws and currency statutes (31 U.S.C., §1059, *et. seq.*) in these investigations. We expect also to continue to work closely with foreign governments through an extradition and judicial assistance treaties in developing evidence and locating international fugitives.

4. *New York Task Force.*—The New York Task Force plays a critical role in narcotic enforcement. The Task Force provides a resource for the critical exchange of information between federal and local officials, it also serves to centralize and emphasize local enforcement efforts. The majority of cases developed by the New York Task Force in this District continue to be referred to the Special Narcotics Prosecutor's Office for prosecution. On occasion, as noted earlier, major cocaine cases developed by the Special Queens cocaine strike force have been referred to this Office for prosecution. The federal narcotics statutes, with their formidable civil (21 U.S.C.,§ 881) and criminal (21 U.S.C., §848) forfeiture provisions and evidentiary rules relating to the testimony of accomplice witnesses have proved invaluable to successful narcotics conspiracy prosecutions.

EXTENT OF DRUG ABUSE AND TRAFFICKING IN NEW YORK

As the extended case discussions below indicate, heroin continues to be a major problem in the New York area.

A. *United States* v. *Riccardo Cefalu, et al.*

The case of *United States* v. *Riccardo Cefalu, et al.*, was recently concluded with the conviction of twelve individuals who comprised what has been termed the "Sicilian Connection" heroin ring, a sophisticated organization based in Sicily and New York City, responsible for the importation and wholesale distribution of hundreds of pounds of pure heroin during 1979 and 1980. The evidence at trial showed that this organization, headed by Ricardo Cefalu, imported into this country from refineries in Palermo, Sicily large quantities of pure heroin and thereafter exported millions of dollars of heroin proceeds back to Italy after it had been "washed" in various Swiss banks. Over $700,000 in narcotics proceeds were seized during the investigation of this case. Riccardo Cefalu was found guilty of engaging in a continuing criminal enterprise, in violation of 21 U.S.C. § 848, and received a term of imprisonment of eleven years (without possibility of parole). The remaining major defendants in the case were convicted of conspiracy to import heroin into the United States, in violation of 21 U.S.C. § 963, and received terms of imprisonment ranging from seven to ten years.

The investigation and prosecution of this case were truly international in scope. An entire DEA group was organized primarily to investigate this and related cases, and that group monitored concurrent investigations of the various European District Offices of the Drug Enforcement Administration, particularly those in Rome, Paris and Brussels. In addition, law enforcement authorities in Brussels, France, Switzerland, Italy and Greece aided this office and the DEA in the investigation of the *Cefalu* case. Indeed, the Government's three principal witnesses at trial were Belgian and Swiss nationals. The Government's main witness, Albert Gillet, was a Belgian national and sentenced Belgian prisoner. His cooperation with us and his testimony at trial, which were absolutely crucial to the successful prosecution of the case, were obtained as a result of unprecedented negotiations with the Belgian Government. The testimony of two other crucial witnesses could not have been obtained without the cooperation of the Swiss authorities.

B. *United States* v. *John Notaro, et al.*

John Notaro and Roy Ranieri were indicted on April 2, 1982 in connection with the seizure of 115.5 pounds of pure heroin concealed in a shipment, from Naples, of 13 expresso coffee machines. The high purity heroin, with a retail value of seventy million dollars, and a wholesale value of seventeen million dollars, was discovered January 27, 1982 in a Brooklyn bonded warehouse, following its arrival on an Italian line containerized cargo vessel. According to the Drug Enforcement Administration, the seizure was the largest in 7½ years in New York, and the second largest heroin removal in New York since the final days of the French Connection in 1973.

Following the seizure, agents of the Drug Enforcement Administration, employing a "controlled delivery", decided to deliver the coffee machines to the defendant Notaro's gift shop in Brooklyn, after removing the heroin from the coffee machines and substituting a harmless white powder. Notaro, Ranieri and the gift shop were kept under round-the-clock surveillance by DEA. A bugging device was placed in the gift shop and pen registers were obtained for eight separate telephones. The agents observed the gift shop for 24 days before arresting Notaro. On the day of Notaro's arrest, search warrants were executed for the gift shop and another location. In Italy, DEA agents working with the Italian Police uncovered valuable evidence in the case and various leads continue to be investigated there.

Notaro is being held in custody on ten million dollars bail and Ranieri on five million dollars bail. Trial is scheduled for June 28, 1982 before Chief Judge Weinstein.

C. United States v. *Rosario Gambino, et al.*

On August 30, 1979, U.S. Customs and DEA seized six kilograms of pure heroin at the Alitalia Cargo facility at J.F.K. International Airport. As a result, DEA was able to identify two Alitalia cargo employees, Francesco Rolli and John Egitto, who had been recruited to smuggle the heroin past U.S. Customs at the Alitalia facility. Rolli and Egitto cooperated with the government and identified the following individuals as the intended recipients of the heroin with a wholesale value in excess of $1,500,000: Rosario Gambino (a second cousin of the late Carlo Gambino and part-owner of nightclubs and pizza parlors in Southern New Jersey); Luigi Lo Bue (served a fifteen year sentence for heroin trafficking and harboring illegal aliens in the 1960's); Salvatore Gallina (the subject of three pending heroin indictments in the E.D.N.Y. and previously convicted of counterfeiting charges); Salvatore Inzerillo (Gambino's cousin, who was assassinated in Palermo, Sicily in a gangland-style Killing in May 1981); Fortunato Inzone (the subject of one other heroin indictment in the E.D.N.Y.); Emanuele Adamita (related to Gambino by marriage, well-known to the N.Y.P.D. as an organized crime figure); Guiseppe Vallelunga (fled to Palermo following his indictment); Antonio Silvestrini (employed in the pizza business in New York); and Paul Zinerco (a former Alitalia Airline employee).

Prior to the indictment of the individuals listed above, Rolli, the government informant, was contacted by Emanuele Adamita and Giuseppe Gambino (Rosario's brother) who wanted Rolli to help them smuggle in another shipment of heroin. In cooperation with the Italian authorities, Rolli travelled to Milan, Italy with agents of DEA and the investigation conducted there by the Italian National Police resulted in the seizure of 40.65 kilograms of pure heroin with a wholesale value of more than $10 million and the arrest and prosecution of Adamita and his two brothers, Antonio and Domenico.

D. United States v. *Rafael Saadon, et al.*

In January and February 1981, utilizing a paid informant, Drug Enforcement Administration agents began an undercover investigation of Israeli heroin traffickers operating in New York. After purchasing, on three separate occasions, nearly eight ounces of heroin from the defendants for $50,000, the agents were able to arrange a sham sale of seven kilograms of heroin to those same defendants. As a result, nearly $400,000 in cash, the money intended to be used by the defendants to pay for the seven kilograms, was seized and forfetied to the United States. Four defendants were indicted and tried. Three of the defendants, Rafael Saadon, Gabriel Outmezgiune, and Rafael Ben-Natan were convicted and received jail sentences of ten, eight and fifteen years respectively as well as fines totaling more than $50,000.

E. United States v. *John Coniglio, et al.*

Nearly ten months of investigation by DEA which included ten undercover purchases of heroin, four months of court ordered wiretaps, the use of a court ordered bugging device, and visual, videotape and photographic surveillances, culminated in the arrest of fourteen individuals and the execution of nearly twenty search warrants. Seized pursuant to these search warrants was in excess of $250,000 in cash, substantial quantities of heroin, extensive narcotics records and narcotics paraphenalia. DEA also seized and is seeking forfeiture of nearly twenty vehicles, including three late model Mercedes-Benz automobiles and four late model Cadillacs. Additionally, forfeiture proceedings under either 21 U.S.C. § 881, 21 U.S.C. § 848 or 18

U.S.C. §1961, *et. seq.* either have been or will be instituted directed towards homes, condominiums, boats and business owned and/or operated by the defendants.

John Coniglio, a twice federally convicted narcotics violator, has been indicted under 21 U.S.C. § 848 for operating a narcotics continuing criminal enterprise. Thirteen other members of Coniglio's extensive heroin distribution organization have also been indicted and all are awaiting trial.

F. United States v. *Guiseppe Troia, et al.*

All three defendants were convicted in February, 1981, after trial by jury, on three counts of conspiracy to import heroin, importation of heroin and attempted possession of heroin. Involved was approximately eleven kilograms of 60 percent pure heroin having a wholesale value of two million dollars. The conspirators had hidden the heroin in table pedestals, part of a shipment of furniture, sent from Palermo, Sicily to New York in October of 1980. They were caught as a result of a controlled delivery of the furniture effected by DEA. (It should be noted that in the same shipment was found ten kilograms of heroin hidden in wooden doors consigned to a Jack Gagliano in Detroit, Michigan. Gagliano was arrested after a controlled delivery in Detroit. He pleaded guilty to one count). This case and the *Beltempo* case discussed below involve heroin shipments from Sicily to New York by members of the Gallina family, many of whom have been convicted in this district for narcotics violations and massive frauds in the government's food stamp program. The leading member of the family, Salvatore Gallina, was indicted twice in the Eastern District in 1980 for heroin trafficking and jumped $50,000 bail. Efforts by the Italian and United States authorities to locate Salvatore Gallina have been unproductive.

G. United States v. *Vincent Beltempo*

This case originated on February 7, 1981 when Customs agents at JFK discovered approximately sixteen pounds of heroin in suitcases belonging to Ronald Rizzo and Barbara Walberg, passengers returning to the U.S. from Rome. Investigation soon revealed that Rizzo and Walberg had had two travelling companions: Antonia Ganguzza and Giuseppe Aliello. In return for a grant of immunity, Antonia Ganguzza testified to a conspiratorial scheme which in the one-month period between mid-January and mid-February, 1981 attempted to smuggle some forty pounds of heroin from Sicily into New York.

The sellers of the heroin were Salvatore Gallina and his brother Giuseppe. The buyers were Vincent Beltempo and his nephew Anthony Beltempo. Vincent Beltempo had been charged with heroin trafficking in a strike force case in the early 1970's. The convictions were reversed on appeal and not retried as the result of the death of a critical witness.

The Beltempos recruited couriers who would travel to Italy, receive the heroin from the Gallinas, and transport the contraband back into the United States. In mid-January, Antonia Ganguzza and Paul Galgano smuggled approximately ten pounds of heroin back into the United States in this manner. In February, Ganguzza, Rizzo, Walberg and Giuseppe Aiello tried to smuggle approximately thirty-two pounds of heroin. As noted, Rizzo and Walberg were caught in this attempt.

Ronald Rizzo and Paul Galgano each pleaded guilty to one count of heroin importation. Salvatore Gallina and Anthony Beltempo remain unapprehended. Vincent Beltempo, Giuseppe Gallina, Barbara Walberg and Giuseppe Aiello all stood trial in June, 1981. The jury acquitted Aiello, but found the other three defendants guilty on all counts in which they were named.

CONCLUSION

Narcotics prosecutions remain a critical priority in the Eastern District of New York and my office is committed to innovative enforcement techniques to reduce the flow of drugs in the United States.

PREPARED STATEMENT OF

BRUCE E. JENSEN
SPECIAL AGENT IN CHARGE
DRUG ENFORCEMENT ADMINISTRATION
NEW YORK DIVISION

Mr. Chairman, Members of the Select Committee:

It is a pleasure to appear before this distinguished Committee to discuss the Drug Enforcement Administration's role in the Federal drug effort in the metropolitan New York City area.

By way of introduction, I was born and raised in the upstate community of Troy, New York. I attended the public school system in Troy and graduated from Siena College in 1958, receiving a Bachelor of Science Degree in the field of Economics. Prior to college, I enlisted in the United States Marine Corps and served in combat with the First Marine Division in Korea.

In September, 1959, I was appointed an Agent and, during the last twenty-three years, served in various capacities with the Drug Enforcement Administration and its predecessor agencies, the Bureau of Narcotics and Dangerous Drugs and the Federal Bureau of Narcotics. I have previously been assigned to posts of duty in Buffalo, New York; Newark, New Jersey; and Washington, D. C. This is my fourth tour of duty in New York City. I was recently appointed to the position of Special Agent in Charge of the New York Division of the Drug Enforcement Administration (DEA), having previously been assigned as the Agent in Charge of the New York District Office of DEA and, prior to that, as Chief of the New York Drug Enforcement Task Force.

As a result of a recent internal reorganization of DEA, which abolished the regional concept, the New York Division was established;

and I would like, briefly, to discuss our geographical responsibilities and organizational structure.

The New York Division is responsible for all DEA or DEA-sponsored activities in the State of New York. The New York Division is broken down into three principal organizational entities; the New York District Office, the New York Drug Enforcement Task Force, and the Unified Intelligence Division.

The New York District Office is comprised, in New York City, of DEA Special Agents, DEA Compliance Investigators, and DEA support personnel. There are ten enforcement groups and two compliance groups assigned to the Division Headquarters on West 57th Street in Manhattan, and two enforcement groups assigned to John F. Kennedy International Airport in Jamaica, Queens. The two airport groups are responsible for the coordination of our efforts with United States Customs and respond to the interdiction efforts of Customs. Subordinate to the New York District Office are Resident Offices in Long Island, Albany, Rochester, and Buffalo, New York.

The New York Drug Enforcement Task Force is located at our facilities at West 57th Street and is comprised of DEA Special Agents, Officers and men from the Special Services Division of the Organized Crime Control Bureau of the New York City Police Department, and Officers and men from the New York State Police.

The New York Drug Enforcement Task Force was established in March, 1970, as a result of an agreement entered into between the United States Department of Justice, the State of New York, and the City of New York. As early as then, it was recognized that the combined resources and expertise of the contributing agencies had to be coordinated and fused together if a meaningful response was going to be directed against the drug problem in the New York City area.

The New York Drug Enforcement Task Force operates pursuant to a written Memorandum of Understanding signed by the three participating agencies. The agreement spells out the manner in which the Task Force will operate, funding agreements, logistical support, investigative reporting procedures, use of laboratory facilities and chain of command.

The Chief of the Task Force is a senior DEA supervisory Special Agent. He has two Deputy Chiefs, one a Deputy Inspector from the New York City Police Department and the other, a Captain from the New York State Police.

The Chief of the New York Drug Enforcement Task Force reports directly to the Special Agent in Charge of the New York Division of DEA, who is a member of the Drug Coordinating Committee, or sometimes referred to as the Policy Council, which manages and directs the activities of the Task Force. Other members of the Committee include the Deputy Superintendent, Field Command, New York State Police, and the Chief, Organized Crime Control Bureau, New York City Police Department.

Meetings are held on a regular basis by members of the Coordinating Committee to assess the drug problem and trafficking patterns in

New York City, and the Task Force is directed to commit its resources accordingly. The basic mission of the Task Force is to direct its resources against those individuals or organizations whose drug trafficking activities principally affect the City of New York.

Although over the years, the priorities of the Task Force have been modified to meet the changing needs, the Task Force currently has 75 per cent of its resources committed against heroin traffickers in New York City. The remaining 25 per cent is committed against Colombian cocaine traffickers whose base of operations are centered in the Jackson Heights area of Queens, New York.

We in DEA are very proud of the accomplishments of the New York Drug Enforcement Task Force and look forward to a continued, close, institutionalized, cooperative effort with our counterparts in the New York City Police Department and New York State Police.

As a result of the success of the New York Task Force, the three participating agencies agreed, in 1973, to expand the concept and form a Unified Intelligence Division to service their drug intelligence needs.

The Unified Intelligence Division is similarly comprised of the three participating agencies and is an intelligence gathering unit which provides both strategic and tactical intelligence to the contributing agencies. Their intelligence base and services are available to any other law enforcement agency which may seek the need of their services. The Chief of the Unified Intelligence

Division is also a senior supervisory Special Agent of DEA who reports directly to the Special Agent in Charge of the New York Division. Their activities are also monitored and controlled by the Drug Coordinating Committee, and they operate pursuant to the same Memorandum of Understanding as the New York Drug Enforcement Task Force.

The Unified Intelligence Division is configured into a modular concept, with various modules being responsible for the gathering and dissemination of intelligence data on various ethnic violators. There is an Organized Crime Module which directs their activities against traditional organized crime members in New York; an Hispanic Module which, in addition to other Hispanic violators, is concentrating on Colombian cocaine traffickers in Queens and Hispanic heroin traffickers on the Lower East Side of New York; an Oriental Module, which concentrates on such violators as Chinese Southeast Asian heroin traffickers and Chinese youth gangs in New York's Chinatown; and a Black Module, which gathers intelligence on major Black violators operating in Harlem, the Bronx and Brooklyn.

The Unified Intelligence Division also has a Financial Investigations Module which is responsible for the gathering of intelligence relative to the financial holdings of drug traffickers which could be subject to seizure under Title 21, United States Code, Section 881, or pursuant to applicable Internal Revenue Code statutes. Internal Revenue Service Special Agents have, for some time, been assigned to this unit and are currently conducting a joint investigation with that unit to affect the seizure of ill-gotten assets acquired by a major drug smuggler, and to present a joint drug/tax case to the United States Attorney for Federal prosecution.

It is within the Liaison Module of the Unified Intelligence Division that the Drug Enforcement Coordinating System (DECS) is maintained. Very simply described, DECS is a system of records that serves as a central repository for the names, aliases and addresses of all suspects who are under active investigation for violations of the Federal or State drug statutes by the New York City Police Department Narcotics Division, the New York Drug Enforcement Task Force, and the New York District Office of DEA.

The purpose of DECS is to prevent the duplication of effort by the contributing agencies, prevent parallel investigations, to increase the safety factor of undercover officers, and to bring together those units who may be conducting parallel investigations or duplicating each other's efforts needlessly.

Prior to an investigation being opened by one of the contributing agencies, the originating unit is required to submit the known biographical data of the suspect to DECS. The name, alias and address of the suspect will then be searched against data already submitted into the system. If a negative search occurs, the contributor may then open an investigation on the suspect. If a "hit", or positive search results, the unit that made the first submission will be contacted and informed that another unit has information relative to their suspect. Both units are then required to coordinate their efforts and decide which unit has the most promising investigation to gather prosecutable evidence against the suspect. On many occasions, a joint investigative effort will ensue. Disputes that cannot be resolved at the lowest level will, if necessary, be resolved by the Drug Coordinating Committee. In calendar year 1981, there were 96 "hits", or instances where the duplication of effort and expenditure of unnecessary resources was prevented.

Heroin is the number one drug priority in New York City, followed by cocaine, dangerous drugs and marihuana. As stated earlier, 75 per cent of the investigative activities of the New York Task Force are directed against heroin traffickers. All ten of the enforcement groups of DEA housed at 57th Street are concentrating, with few exceptions, their activities against heroin traffickers. The two airport groups respond to United States Customs seizures, irrespective of the type of drug involved.

Our cocaine enforcement effort is concentrated within one of the four divisions in the New York Task Force, and their activities are directed almost exclusively against Colombian cocaine traffickers. Dangerous drug and marihuana enforcement is limited to those major organizations, i.e., smuggling cartels or clandestine laboratory operators, that warrant Federal attention.

Because we have concentrated our efforts against heroin traffickers, that is not to imply that other drugs are not readily available in this area. However, given the resources that are available, we are forced to prioritize our efforts against those drugs which cause the greatest social harm, the abuse of which is responsible for the destruction of human lives and leads to the commission of other crimes.

Most recently, the Federal Bureau of Investigation was given concurrent jurisdiction over the Controlled Substances Act, and implementation guidelines were issued establishing areas of responsibility and accountability for both DEA and the FBI.

The FBI, in New York, has pledged full support to the DEA effort in this area; and we in DEA expect to take full advantage of this support, particularly in the area of organized crime involvement in drug trafficking, technical capabilities, financial investigative expertise, intelligence data base, and support on Title III investigations. We have, on several occasions, met and discussed how each agency can best compliment the investigative activities of the other agency. We currently have several joint invesigations underway and the results, thus far, have been encouraging. There has been full and frank discussions dealing with the issue of how the FBI can best assist the DEA, and I frankly cannot recall one area of disagreement over any issue. The FBI in New York has been most cooperative and has already provided to DEA a substantial amount of intelligence and resources in our joint endeavors.

The Special Agent in Charge of the FBI's Criminal Division in New York and I are committed to make this new marriage work. I am confident that it will.

Thank you for allowing me to appear before your Committee and thank you for your support and interest in drug enforcement.

INTRODUCTORY STATEMENT OF CAPT GARY F. CROSBY

DEPARTMENT OF TRANSPORTATION

U.S. COAST GUARD

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE, I AM CAPT GARY F. CROSBY, CHIEF MARITIME LAW ENFORCEMENT BRANCH ON THE STAFF OF THE COMMANDER OF THE ATLANTIC AREA OF THE COAST GUARD. I AM PLEASED TO HAVE THIS OPPORTUNITY TO PROVIDE INPUT TO YOU THROUGH THE OVERSIGHT HEARING PROCESS.

THE COAST GUARD'S ATLANTIC AREA INCLUDES DISTRICTS ONE, TWO, THREE, FIVE, SEVEN, EIGHT, AND NINE. THUS THE AREA COMMANDER'S RESPONSIBILITIES ESSENTIALLY COVER ALL OF THE STATES AND WATERS EAST OF THE ROCKY MOUNTAINS INCLUDING THE GULF OF MEXICO, THE CARIBBEAN SEA, AND THE WESTERN NORTH ATLANTIC OCEAN.

AMONG OTHER THINGS, THE ROLE OF THE AREA COMMANDER IS TO PLAN, COORDINATE, AND DIRECT THE INTERDISTRICT ASPECTS OF OPERATIONS. THIS INCLUDES A RESPONSIBILITY FOR PLANNING AND EXERCISING CONTROL OF INDIVIDUAL OPERATIONS AND MISSIONS WHICH INVOLVE MORE THAN ONE COAST GUARD DISTRICT, OR FOR ANY OPERATION INVOLVING A SINGLE DISTRICT WHICH REQUIRES AUGMENTED FORCES DUE TO ITS MAGNITUDE OR URGENCY.

THE RESOURCES WHICH ARE UNDER THE AREA COMMANDER'S PURVIEW TO ACCOMPLISH LAW ENFORCEMENT AND ALL OUR OTHER COAST GUARD MISSIONS INCLUDE 174 CUTTERS AND 74 AIRCRAFT. OF THESE CUTTERS, THIRTY HIGH AND MEDIUM ENDURANCE CUTTERS AND FORTY-SIX, 95 AND 82 FOOT PATROL BOATS ARE PREDOMINANTLY INVOLVED IN LAW ENFORCEMENT AND SEARCH AND RESCUE. THE REMAINING VESSELS ARE VARYING SIZES OF ICEBREAKERS, BUOY TENDERS AND TUGS.

THROUGHOUT THE ATLANTIC AREA, DURING FISCAL YEAR 1981, ABOUT 29 PERCENT OF ALL 174 CUTTERS' TOTAL UNDERWAY TIME WAS DEVOTED TO DRUG INTERDICTION. THIRD DISTRICT CUTTERS DEVOTED 27.5 PERCENT OF THEIR UNDERWAY TIME TO DRUG INTERDICTION.

THE COAST GUARD'S DRUG INTERDICTION EFFORT IS DIRECTED AT THE ILLICIT MARITIME TRAFFICKING OF CONTROLLED SUBSTANCES. DUE TO OUR UNIQUE RESOURCE CAPABILITY AND BROAD ENFORCEMENT AUTHORITY, THE COAST GUARD SERVES AS THE PRIMARY LAW ENFORCEMENT AGENCY AT SEA. WE SHARE ENFORCEMENT RESPONSIBILITY WITH THE U.S. CUSTOMS SERVICE WITHIN CUSTOMS WATERS AND RECEIVE INTELLIGENCE SUPPORT FROM THE DEA WHEREVER WE ARE OPERATING. EACH OF THESE AGENCIES HAS SEIZED NUMEROUS TYPES OF CONTROLLED SUBSTANCES DURING THE ROUTINE COURSE OF THEIR OPERATIONS, HOWEVER, EACH AGENCY'S PARTICULAR DEDICATION OF RESOURCES, IN ACCORDANCE WITH MISSION RESPONSIBILITIES, LEADS TO THE INTERDICTION OF SPECIFIC DRUGS. THUS, THE COAST GUARD INTERCEPTS THE GREATEST PORTION OF MARIJUANA THAT IS INTERDICTED BY THE FEDERAL AGENCIES. THE COAST GUARD'S ROLE IS DICTATED BY THE FACT THAT MARIJUANA IS A BULK COMMODITY, COMMONLY SHIPPED BY SEA AND READILY DETECTABLE DURING AT SEA BOARDINGS.

DURING THE LAST FEW YEARS IT HAS BEEN NECESSARY TO AUGMENT THE SEVENTH COAST GUARD DISTRICT (THE SOUTHEAST U.S. AND THE CARIBBEAN) TO MEET THE DRUG INTERDICTION PROBLEM. THROUGHOUT FISCAL YEAR 1981 OUR HIGH AND MEDIUM ENDURANCE CUTTERS IN THE FIRST, THIRD AND FIFTH DISTRICTS (THOSE COVERING THE MARITIME REGION NORTH OF MOREHEAD CITY, NC) SPENT ABOUT 53 PERCENT OF THEIR UNDERWAY TIME ON DRUG ENFORCEMENT. SIXTY-SEVEN PERCENT OF THAT DRUG INTERDICTION TIME WAS SPENT ON DEPLOYMENTS TO THE SEVENTH DISTRICT. FOR THE MEDIUM ENDURANCE CUTTERS WITHIN THE SOUTHEASTERN UNITED STATES AND THE GULF OF MEXICO, ABOUT 75 PERCENT OF THEIR UNDERWAY TIME WAS DEDICATED TO DRUG ENFORCEMENT.

OUR WPB'S IN THE FIRST, THIRD AND FIFTH DISTRICTS, DURING FISCAL YEAR 1981, SPENT 49 PERCENT OF THEIR UNDERWAY TIME ON DRUG INTERDICTION, WHILE THOSE IN THE SEVENTH AND EIGHTH DISTRICTS DEVOTED ABOUT 77 PERCENT OF THEIR UNDERWAY TIME ON DRUG INTERDICTION.

ACCORDING TO A NATIONAL NARCOTICS INTELLIGENCE CONSUMERS COMMITTEE REPORT FOR THE YEAR 1980, APPROXIMATELY 60 PERCENT OF ALL THE MARIJUANA SMUGGLED INTO THIS COUNTRY EACH YEAR IS TRANSPORTED BY SEA. THAT AMOUNTS TO SOMEWHERE BETWEEN 5,000 AND 8,000 METRIC TONS. MOST OF THAT DRUG TRAFFIC ORIGINATES IN THE CARIBBEAN, GENERALLY ALONG THE NORTH COAST OF COLOMBIA. AS THE SMUGGLERS SAIL NORTH, THEY NORMALLY PASS THROUGH ONE OF THE FOUR CHANNELS, OR "CHOKE POINTS", AND THEN PROCEED TOWARD THE BAHAMAS, FLORIDA, THE GULF COAST, OR THE NORTHERN EAST COAST.

EACH OF THE "CHOKE POINTS" PROVIDES AN IMPORTANT GEOGRAPHICAL ADVANTAGE FOR US BECAUSE THEY CONCENTRATE THE TRANSITTING SMUGGLERS SO OUR CUTTERS ON PATROL HAVE A HIGHER PROBABILITY OF INTERCEPTION. ALSO, THE AVAILABILITY OF HELICOPTERS ON MANY OF OUR HIGH AND MEDIUM ENDURANCE PATROLLING CUTTERS GREATLY ENHANCES THE INTERDICTION CAPABILITIES OF THE CUTTER. THE SMUGGLING VESSELS COMING THROUGH THE CHOKE POINTS GENERALLY ARE 60 TO 200 FOOT MOTHERSHIPS. THE COAST GUARD FOCUSES ITS EFFORTS ON MOTHERSHIPS AS A GREATER AMOUNT OF CONTRABAND, MANY TIMES IN EXCESS OF 10 TONS PER VESSEL, CAN BE INTERDICTED WITH EACH SEIZURE.

IN FISCAL YEAR 1981, THE ENTIRE COAST GUARD SEIZED OVER 3.4 MILLION POUNDS OF MARIJUANA AND ALMOST 6 MILLION DOSES OF QUAALUDES. THE COAST GUARD ALSO ASSISTED OTHER AGENCIES IN SEIZING 667,000 POUNDS OF MARIJUANA AND 167 POUNDS OF HASHISH. THE STREET VALUE OF THESE DRUGS WAS $2.7 BILLION.

WITH THE PASSAGE OF PUBLIC LAW 96-350 IN SEPTEMBER 1980 PROSECUTIONS AND CONVICTIONS HAVE INCREASED DRAMATICALLY. DURING JAN-SEP 1980, APPROXIMATELY 80 PERCENT OF THE SEVENTH DISTRICT'S CASES ACCEPTED FOR PROSECUTION ENDED IN THE

CONVICTION OF AT LEAST ONE DEFENDANT. AFTER PASSAGE OF PUBLIC LAW 96-350, THIS FIGURE HAS RISEN TO OVER 92 PERCENT.

IN DECEMBER 1981 PUBLIC LAW 97-86 WAS ENACTED WHICH CLARIFIED COOPERATIVE EFFORTS WHICH DOD COMPONENTS MAY TAKE TO ASSIST IN LAW ENFORCEMENT OPERATIONS. INCREASED COOPERATION BY DOD IN PROVIDING INTELLIGENCE AND SIGHTING REPORTS OF SUSPICIOUS VESSELS ARE EXPECTED TO PERMIT MORE EFFECTIVE UTILIZATION OF COAST GUARD LAW ENFORCEMENT ASSETS.

SEVERAL INITIATIVES BEFORE CONGRESS MAY BE HELPFUL. THE COAST GUARD FULLY SUPPORTS THE RECOMMENDATIONS MADE BY THE ATTORNEY GENERAL'S TASK FORCE ON VIOLENT CRIME, ESPECIALLY THOSE DEALING WITH STIFFER PENALTIES, BAIL REFORM, AND REFORM OF THE CRIMINAL JUSTICE PROCESS TO ENHANCE THE ABILITY TO PROSECUTE DRUG RELATED CASES. EMPHASIS MUST BE PLACED ON DETERRENCE WITHIN THE JUDICIAL PROCESS.

RECENTLY IT BECAME NECESSARY TO AUGMENT THE RESOURCES OF THE SEVENTH DISTRICT FOR THE INTERCEPTION OF ILLEGAL ALIENS BY INTERCEPTING U.S. HAITIAN AND STATELESS VESSELS ENGAGED IN THE ILLEGAL TRANSPORTATION OF PASSENGERS.

INTERDICTION OPERATIONS ACTUALLY COMMENCED ON 9 OCTOBER 1981 WITH A HIGH ENDURANCE CUTTER BEING STATIONED OFF THE NORTH COAST OF HAITI AND AN AVIATION DETACHMENT OPERATING FROM GUANTANAMO BAY, CUBA. THESE RESOURCES HAVE ALSO INTERCEPTED SEVERAL VESSELS CARRYING DRUGS.

IN CONCLUSION, I THINK WE HAVE BEEN QUITE SUCESSFUL IN USING THE RESOURCES AVAILABLE TO US IN CARRYING OUT LAW ENFORCEMENT AND OUR OTHER MISSIONS, WE ARE CONSTANTLY LOOKING FOR WAYS TO IMPROVE THE EFFECTIVENESS OF OUR EFFORTS, SUCH AS:

- IMPROVED SCHEDULING AND MAINTENANCE FOR OUR SHIPS

- NEW REPLACEMENT SHIPS AND AIRCRAFT BEING CONSTRUCTED THAT WILL BE MORE RELIABLE AND PRODUCTIVE.

- ACQUIRING BETTER MARITIME INTELLIGENCE INFORMATION THROUGH IMPROVED INTELLIGENCE GATHERING CAPABILITIES.

- CONTINUING TO IMPROVE OUR COORDINATION WITH OTHER DRUG ENFORCEMENT OR GOVERNMENT AGENCIES.

- EXPANDING OUR COORDINATION AND COOPERATION WITH FOREIGN GOVERNMENTS, AND BY

- ENHANCING THE COAST GUARD REPORTING AND ANALYSIS SYSTEM

THIS WILL BE ACCOMPLISHED BY DEVELOPING INFORMATION ANALYSIS TECHNIQUES, INDENTIFYING DATA REQUIREMENTS AND MODIFYING REPORTING PROCEDURES TO INCREASE THE EFFECTIVENESS OF TACTICAL AND STRATEGIC PLANNING AND IMPROVE OUR SUPPORT OF THE COAST GUARD MEN AND WOMEN WHO ARE DOING OUR WORK AT SEA AND IN THE AIR.

THAT CONCLUDES MY PREPARED TESTIMONY MR. CHAIRMAN. I WILL BE HAPPY TO ANSWER ANY QUESTIONS YOU OR THE MEMBERS OF YOUR COMMITTEE MAY HAVE.

COUNTY OF SUFFOLK

DONALD J. DILWORTH
POLICE COMMISSIONER

POLICE DEPARTMENT

PREPARED STATEMENT OF

LT. RICHARD J. SIEE,

CHIEF NARCOTICS OFFICER, SUFFOLK COUNTY

Members of the Committee, on behalf of Suffolk County Police Commissioner Donald Dilworth, I thank you for the opportunity to be with you today to share our Departments perspective regarding the issues you are considering. I realize that you are covering the full spectrum of the Administrations' budgetary policies and its' effects on drug enforcement priorities, resource management, etc. I must restrict myself, however, to those areas that fall within the purview of our responsibility so that I may afford you information that is supported by fact, statistics and experience rather than speculation.

The Suffolk County Police Narcotics Section is comprised of a total staff of 46, with 37 investigators and 6 supervisors. We are responsible for a 922 square mile area of Suffolk County with a population of 1.35 million. We have hundreds of miles of shoreline, thousands of boats, twelve airports, and three major east/west arteries that extend the length of Long Island. With this manpower contingent we are charged with providing total narcotics

(Cont'd)

enforcement in Suffolk County. We have approached this problem by dividing the Narcotics Section into 4 specific Units. The first Unit is comprised of two undercover teams that fulfill our primary obligation as a local police department, namely street-level drug sales. Secondly, we have a Unit that addresses the problem of legal drugs that are diverted for illegal use from pharmacies, physicians, pharmaceutical salesmen, pharmaceutical warehouses, etc. Thirdly, since Long Island is like a long pier, jutting out into the sea, with the topographical conditions enumerated above, we have established an Interdiction Unit which deals primarily with the problems of drugs smuggled into Suffolk County. Finally, a group of investigators and a supervisor are assigned to the Long Island/DEA Task Force which concentrates on Class I and II violators. With the exception of large scale marijuana smuggling which is the Narcotics Sections responsibility, the Suffolk County Police Departments Precinct Street Crime Units investigate street-level marijuana dealers. Through our diverse organizational structure we attempt to penetrate drug operations at three levels, upper and mid-level organizations and street-level dealers.

The drugs of preference in Suffolk County during 1981 and 1982 appear to be marijuana and cocaine, followed in order of preference with Hallucinogens, Depressants, Heroin and Opiates, and Amphetamines. In 1981, Narcotics Section statistics show that we seized over 16 tons of marijuana. Cocaine arrests increased over the previous year by 68.8 percent, Hallucinogen

(Cont'd)

arrests increased by 88 percent, Dangerous Depressant arrests increased by 59 percent, Heroin and Opiate related arrests increased by 295 percent, and Amphetamine arrests decreased by 200 percent. It should be noted that these statistics concern arrests for Criminal Sale of these drugs. The arrests are broken down into the following groupings: "A" Felony arrests comprise 13 percent of the total, Misdemeanors comprise 6 percent and the remainder comprise 81 percent. The primary source of introduction of marijuana into this County is through smuggling, by motor vehicles, boats/ships and aircraft. Likewise with Cocaine. Hallucinogens are smuggled in after manufacture in various home and college laboratories throughout the Country and on Long Island. The primary source of Depressant drugs appears to be through diversion. Large quantities of counterfeit drugs, such as Quaaludes, are smuggled in from Columbia via air and sea. The Heroin problem appears to be supported directly from New York City. Dispite an emphasis on Heroin investigations in 1981, no evidence was developed to support any Heroin smuggling organizations in Suffolk County. All investigations in this area indicate that smaller amounts of Heroin and Opiates (New York Quarters) are purchased in New York City and brought to Suffolk County for distribution and use. Amphetamine use in Suffolk County has diminished substantially with the introduction of "beat" pills which contain caffeine and ephedrine which are not controlled substances by New York State Law. Due to their identical appearance to authentic Amphetamines the streetlevel buyer does not know what he is getting for his money until he ingests the drug. As a direct result Amphetamine availability and abuse patterns have declined substantially.

(Cont'd)

Over the past few years, this Office has enjoyed extraordinary cooperation from the Drug Enforcement Administration through the Task Force concept. This applies directly to the Task Force effort and also to the assistance rendered to the Suffolk County Police Interdiction Unit. This assistance has come in the form of training, funding, use of equipment, sharing of intelligence information and manpower resources. Very often, because of the strong narcotics laws in the State of New York, Federal Officials prefer to prosecute in the State Courts rather than Federally. This has created and caused the continuance of an exceptional working relationship between our Agencies and a cooperative team spirit among members of the DEA, United States Customs, the Coast Guard and the Suffolk County Police Department. Reduced funding and cooperation would hamper our efforts and result in a loss of local drug enforcement capability to your constituents.

The Suffolk County Police Department recently enjoyed the benefit of a State Grant to assist with narcotics enforcement. While this Grant was instituted during a period of Federal budgetary cutbacks, it too will soon end. This will eventually have a negative effect on the impact and effectiveness of local police departments efforts against high-level drug smugglers. With Federal assistance, we have been able to arrest many upper level dealers. Task Force and Interdiction Unit cases for 1981 comprise 45 percent of our total Class "A" Felony arrests. By arresting one upper level dealer you have now dismantled an organization of distributors, sub-distributors, and have removed the source of drugs

(Cont'd)

for some 50 to 60 street level dealers. How many young and vulnerable people this will protect from drug abuse is only speculative, but the advantages of this type of approach are clearly apparent.

Drug abuse in Suffolk County, as well as in the Nation, is increasing as shown through the growing number of arrests for sale of controlled substances. This is tragically re-enforced by the number of reported overdoses from the five major hospital facilities in Suffolk County which reflect a total of 451 reported overdoses. In addition, the Suffolk County Medical Examiners Office also reports some 50 overdose deaths in 1980. In 1981, hospital overdose figures climbed to 572, a 27 percent increase. The figures for 1981 from the Suffolk County Medical Examiners Office are not yet available.

Certainly local law enforcement will continue its' efforts to stem the tide of illicit drugs that plague our community, victimize our youth, and has reached epidimic proportions across our Nation. Local law enforcement agencies have the talent, the ability and, most certainly, the desire to combat this nefarious condition as is clearly illustrated from the results over the past years. Without Federal assistance, however, local law enforcement effectiveness against upper level drug importers and dealers is reduced.

SUBMISSIONS FOR THE RECORD

U.S. DEPARTMENT OF JUSTICE
DRUG ENFORCEMENT ADMINISTRATION
Washington, D.C, June 11, 1982.

Hon. BENJAMIN A. GILMAN,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN GILMAN: This is in furtherance of your recent request to Special Agent in Charge (SAC) Bruce Jensen during a hearing of the House Select Committee on Narcotics Abuse and Control in New York City on April 30, 1982. During that hearing you requested that SAC Jensen provide an up-to-date report on the status of the recently instituted Narcotic Subcommittee of the United States Attorney's Law Enforcement Committee. Additionally, you inquired as to the possibility of increased Federal and state involvement on the Drug Coordinating Committee of the New York Task Force. In response to these requests, the following information is provided for the hearing record.

SAC Jensen has informed me that on May 14, 1982, he met with Chief Courtenay, New York City Police Department, and Colonel Dakin, New York State Police, and discussed the feasibility of increased participation on the Drug Coordinating Committee of the Task Force. It was agreed that the purpose and scope of this committee are limited and, therefore, it would be more appropriate for prosecutors and other law enforcement officials involved in drug enforcement, i.e., Customs and Coast Guard, to be on the Narcotic Subcommittee of the United States Attorney's Law Enforcement Committee.

Enclosed is a copy of a letter which SAC Jensen sent to John S. Martin, U.S. Attorney, Southern District of New York, recommending certain, law enforcement officials to be named to the Narcotic Subcommittee. It should be noted that the three members of the Drug Coordinating Committee have been recommended for participation on the subcommittee. As a result, the broader scope of involvement on all levels, to which you referred, can be achieved through the Narcotic Subcommittee.

At the April 30 hearing you also inquired as to the involvement of the FBI on the New York Task Force. Following a discussion of this issue at a recent meeting of the Drug Coordinating Committee, it was agreed that the FBI's role in narcotic enforcement in New York City, which is concentrated in the area of traditional organized crime, is not totally compatible to the mission of the Task Force. The Task Force directs its activities towards mid and upper-level drug traffickers and is not limited to organized crime.

I trust this information will address the concerns which you expressed during the hearing. If I may be of assistance in the future, please do not hesitate to contact me.

Sincerely,

FRANCIS M. MULLEN, JR.,
Acting Administrator.

Enclosure.

MAY 6, 1982.

Hon. JOHN S. MARTIN, Jr.
U.S. Attorney,
Southern District of New York, N.Y.

DEAR MR. MARTIN: Pursuant to our conversation of May 5, 1982, I am recommending that the following law enforcement officials be named to the Narcotic Sub-Committee of the Law Enforcement Coordinating Committee:

Incumbent title and agency:

Bruce E. Jensen—Special Agent In Charge, Drug Enforcement Administration, New York Division.

Richard T. Bretzing—Special Agent In Charge, Criminal Division, Federal Bureau of Investigation, New York Field Office.

Dennis T. Snyder—Regional Commissioner, U.S. Customs Service, Region Two, New York, New York.

Daniel J. Courtenay—Chief, Organized Crime Control Bureau, New York City Police Department.

Daniel A. Dakin—Deputy Superintendent, Field Command, New York State Police.

Sterling Johnson—Special Narcotics Prosecutors, City of New York.

Rhea K. Neugarten—Chief, Narcotic Unit, Southern District of New York.

Richard Appleby—Chief, Narcotic Unit, Eastern District of New York.

Vice Adm. James S. Gracey [1]—Commander, Atlantic Area, U.S. Coast Guard, Governor's Island.

It is recommended that those individuals appointed to the Narcotic Sub-Committee be designated by Title/Agency rather than by name in order to retain continuity in the event of the re-assignment, etc. of the incumbent.

Very truly yours,

BRUCE E. JENSEN,
Special Agent In Charge.

---

[1] To be replaced on May 21, 1982 by Rear Adm. Wayne E. Caldwell.

APPENDIXES

APPENDIX A

NEW YORK STATE DIVISION OF SUBSTANCE ABUSE SERVICES, JANUARY AND FEBRUARY 1982

HEROIN INFLUX UPDATE

Heroin activity in New York State *continues* to increase. Indirect indicator data and field studies continue to signal a growing problem. The following evidence drawn from regularly monitored data sources highlights the impact felt by New York City and, now, by upstate counties as well.

NEW YORK CITY—HEROIN/MORPHINE EMERGENCY ROOM EPISODES (N.Y. SMSA)

	1978 quarter		1979 quarter				1980 quarter				1981 quarter		
	3	4	1	2	3	4	1	2	3	4	1	2	3
Episodes...	267	287	290	472	546	636	702	819	1,038	1,181	800	1,042	1,130

Source.—Drug Abuse Warning Network (DAWN) consistent reporters.

These heroin-related episodes represent experience reported by a panel of 46 hospitals located in the New York SMSA. During the past few years the number of heroin-involved emergency room episodes has been increasing. Between 1979 and 1980, the number increased 92 percent—from 1,944 to 3,740; between the first nine months in 1980 and in 1981, the number increased 16 percent—from 2,559 to 2,972. In 1980, the New York SMSA had the highest rate of heroin emergency room mentions in the country—17 per 10,000 emergency room visits. The Washington, D.C. SMSA had the second highest rates with 13 per 10,000 visits. In 1981, both areas continue to see increasing numbers of heroin-involved episodes.

DRUG DEPENDENT MORTALITY

	1978 quarter				1979 quarter				1980 quarter			
	1	2	3	4	1	2	3	4	1	2	3	4
Deaths......	67	63	65	51	122	108	112	130	138	154	138	104

Source.—New York City Department of Health.

Drug-dependent mortality (i.e., mainly deaths due to chronic/acute intravenous narcotism is reported in the above table. In New York City, deaths attributed to narcotic drugs increased from 246 in 1978 to 534 in 1980—an increase of 117 percent. Preliminary reporting for 1981 indicates that the annual number of drug-dependent deaths will be at about the 1980 level.

REPORTED CASES OF SERUM HEPATITIS B+

	1978 quarter		1979 quarter				1980 quarter				1981 quarter			
	3	4	1	2	3	4	1	2	3	4	1	2	3	4
Cases	96	151	143	131	106	107	176	115	138	148	206	215	184	282

Source.—New York City Department of Health.

Cases of serum hepatitis—frequently contracted in the first years of intravenous drug use—increased from 487 cases in 1979 to 577 cases in 1980, an increase of 18 percent. In 1981, however, the number of reported cases has increased 54 percent, from 577 to 887.

OPIATE FELONY AND MISDEMEANOR ARRESTS

	1978 quarter		1979 quarter		1980 quarter		1981 quarter
	1–2	3–4	1–2	3–4	1–2	3–4	1–2
Opiate felony arrests	1,990	2,133	2,348	2,154	2,189	2,609	3,711
Opiates misdemeanor arrests	1,163	1,143	1,118	1,180	1,182	1,413	1,739

Source.—New York City Police Department.

Although opiate-involved arrests have remained relatively stable in recent years, they have increased sharply in the second half of 1980 and even more sharply in the first half of 1981. All opiate arrests increased 21 percent between the second half of 1980 (4,022) and the comparable period in 1979 (3,334), and increased 62 percent between the first half of 1981 (5,450) and the comparable peiod (3,361) in 1980. In 1981, New York City Police have been making an average of 900 opiate-involved arrests per month compared to 600 in 1980.

REPORTED ROBBERIES AND BURGLARIES

	1978 quarter		1979 quarter		1980 quarter		1981 quarter
	1–2	3–4	1–2	3–4	1–2	3–4	1–2
Robbery reports	34,086	39,943	37,421	45,151	45,578	54,972	52,215
Burglary reports	77,890	86,557	83,335	95,445	99,522	113,226	103,995

Source: New York City Police Department.

Reported robberies and burglaries have risen along with other indicators of increased heroin activity. Between 1978 and 1979, reports of robberies increased 12 percent from 74,029 to 82,572; reports of burglaries increased nine percent from 164,447 to 178,780. Between 1979 and 1980, robbery reports increased 22 percent from 82,572 to 100,550; burglary reports increased 19 percent from 178,780 to 212,748. Although estimates for the first half of 1981 decline somewhat from the second half of 1980, reported robberies and burglaries still exceed comparable periods in recent years.

Studies indicate that heroin addicts commit many more crimes and more serious crimes during periods of heavy heroin use than during periods of little or no use. For instance, Ball et al. found that heroin addicts commit six times more crimes during times of daily heroin use than during times of light use.

PERCENT PURITY OF "STREET" HEROIN (NEW YORK CITY)

	1978	1979		1980		1981
	December	June	December	June	December	June
Percentage range of purity [1]	1–2	1–2	2–7	2–5	2–13	2–14

[1] Interquartile range, that is, middle 50 percent of cases.

Source.—New York City Police Department Laboratory.

The New York City Police Department Laboratory analyzes the purity of "street" samples of heroin. Heroin samples rank second only to cannabis in the number of cases analyzed by the laboratory. The percentages presented above reflect the interquartile range (i.e., middle 50 percent) of purities of the more than 250 cases analyzed monthly. In December 1978, the range reached a high of about 2 percent. Two years later, by December 1980, the range was much wider and reached a high of 13 percent; by June 1981 the range reached a high of 14 percent.

In general, "street" buys on the Lower East Side tend to yield higher purities, and buys in Harlem tend to yield lower purities. The Drug Enforcement Administration has been conducting special studies in these neighborhoods. In the past 3 years, purities of heroin sampled on the Lower East Side rose from 8 percent in 1979 to 14 percent in 1981; in Harlem purities have remained about 3 percent over the time period.

During the last week of February, 1982, Drug Enforcement Administration agents confiscated more than 115 lbs. of heroin, 85 percent pure. This heroin seizure was the largest since 1974 when 165 lbs. of Turkish heroin was confiscated, and it is considered the most important since the days of the French Connection.

ADMISSIONS TO PRISON DETOXIFICATION

	1978 quarter		1979 quarter				1980 quarter				1981 quarter			
	3	4	1	2	3	4	1	2	3	4	1	2	3	4
Admissions	1,720	1,696	1,671	1,781	1,856	1,931	2,042	2,102	2,736	2,824	2,815	2,645	2,778	2,716

Source.—New York City Department of Correction.

Admissions of inmates to the detoxification program on Rikers Island remained relatively constant between 1978 and 1979; however, admissions rose 34 percent between 1979 and 1980 (from 7,239 to 9,704). The number of admissions in 1981 exceeds the number in 1980 by 13 percent—from 9,704 to 10,954.

TREATMENT ADMISSIONS WITH HEROIN AS PRIMARY DRUG OF ABUSE

	1978 quarter		1979 quarter				1980 quarter				1981 quarter			
	3	4	1	2	3	4	1	2	3	4	1	2	3	4
Admissions	1,684	4,950	5,490	6,007	6,185	6,678	6,894	6,077	4,863	5,174	[1] 7,870	4,708	[1] 10,397	6,637
Heroin admission as percent of total admissions	62	62	63	67	69	69	71	71	67	70	[1] 79	70	[1] 81	71

[1] Reflects the artifactual admission of additional methadone clients due to administrative reorganization.

Source.—NYS Division of Substance Abuse Services, Bureau of Management Information systems.

The chart above shows the number of New York City heroin treatment admissions and the percentage of admissions that report heroin as the primary drug of abuse. Between 1978 and 1979 heroin admissions increased 26 percent (from 18,644 to 23,464). Through the first quarter of 1980 heroin admissions continued to climb until the capacity to accept additional clients was reached. In the second quarter of 1980, as a result, total admissions declined as waiting lists were established. By the end of the third and fourth quarters, waiting lists existed in methadone maintenance, residential drug-free, and ambulatory detoxification programs. Currently, the lists number more than 1,400 names. About 71 percent of admissions to New York City treatment programs indicate heroin as the primary drug of abuse compared to 60 percent at the beginning of 1978. By the end of January, 1982, methadone programs in New York City had an enrollment of 27,704 clients and were operating at 97 percent capacity.

CHARACTERISTICS OF IDENTIFIED HEROIN USERS

The most notable characteristic of current identified users of heroin is their older age. For instance, the proportion of heroin admissions to treatment who are 30 years and older continues to increase. In 1977 this group represented 31 percent; in 1978, 35 percent; and in 1980, 46 percent. Among drug-dependent deaths, 42 percent were over 30 years of age in 1980 compared to 56 percent thus far in 1981.

Although the sexual distribution is predominantly male, females have been increasing in proportion among identified heroin abusers. In 1980, 22 percent of heroin admissions were female; by 1981 25 percent were female. Similarly, among decedents, in 1980 17 percent were female; by 1981 19 percent were females.

As for ethnic distribution, data exist only for treatment admission. Although blacks have been the model group, they have been declining in proportion while Hispanics and whites have been increasing. Early in 1980, blacks represented 48 percent of heroin admissions, while Hispanics represented 32 percent and whites 20 percent. By 1981, blacks represented 43 percent, whereas Hispanics were 34 percent and whites were 22 percent.

As far as regional distribution is concerned, Manhattan continues to be the model borough of residence for most heroin-related decedents (35 percent in 1980 and 37 percent in 1981). Brooklyn, however, appears to be the second most mentioned borough of residence (20 percent in 1980 and 22 percent in 1981). Interestingly, decedents who died in New York City whose residence was outside of New York City have been increasing in proportion: seven percent in 1980 and 10 percent in 1981.

Although much evidence exists that experienced heroin users constitute a substantial part of the heroin-using population, evidence of new use also exists. For instance, a major detoxification facility, Beth Israel Medical Center's Drug Detoxification Service, reports an increasing number of first admissions and an increasing proportion who started use in their admission year. In 1978, 732 patients were first admissions with 1.9 percent starting heroin use in that year; in 1979, 1,002 patients were first admissions with 2.1 percent starting use in that year; and in 1980, 1,533 patients were first admissions with 5.5 percent starting use in that year. Unfortunately, few programs collect year of first heroin use data.

The increasing proportion of female heroin users in treatment and among drug-dependent death, the increasing proportion of white heroin users in treatment, and the increasing incidence of serum hepatitis B+—an indicator of new intravenous drug use—all give indication that that new use of heroin may be a growing phenomenon.

THE REST OF THE STATE

ARRESTS INVOLVING CONTROLLED SUBSTANCES

	1978	1979	1980
Arrests	977	1225	1928

Source.—New York State Division of Criminal Justice Services (DCJS) Annual Reports.

Between 1978 and 1979 arrests involving controlled substances including opium, cocaine and derivatives increased 25 percent (from 977 to 1,225 arrests) in New York State counties outside New York City. Between 1979 and 1980, these arrests rose 57 percent (from 1,225 to 1,928).

REPORTED CASES OF SERUM HEPATITIS B+

	1978	1979	1980	1981
Cases	455	463	525	719

Source.—New York State Department of Health.

Between 1978 and 1979, the number of reported cases of serum hepatitis had remained relatively stable in the rest of the state. Since 1979, however, cases of serum hepatitis have been increasing dramatically—a 13 percent increase between 1979 and 1980 (from 463 to 525) and a 37 percent increase between 1980 and 1981 (from 525 to 719).

TREATMENT ADMISSIONS WITH HEROIN AS PRIMARY DRUG OF ABUSE

	1978 quarter		1979 quarter				1980 quarter				1981 quarter			
	3	4	1	2	3	4	1	2	3	4	1	2	3	4
Admissions	537	651	627	717	774	838	910	1,093	1,257	1,021	1,297	922	1,146	988
Heroin admissions; as percent of total admissions	18	18	17	21	24	21	22	27	33	26	32	27	33	27

Source.—New York State Division of Substance Abuse Services, Bureau of Management Information Systems.

The preceding table presents admissions to treatment programs in New York State, excluding those in New York City, with heroin as the primary drug of abuse and the percentage of all admissions who indicate heroin as the primary drug of abuse. In 1981, about 30 percent of admissions to treatment programs out of New York City report heroin as the primary drug of abuse compared to 27 percent of admissions in 1980, and 21 percent in 1979. The number of heroin admissions increased 30 percent between 1978 and 1979 (from 2,275 to 2,956), and 44 percent between 1979 and 1980 (from 2,967 to 4,281). In 1981, the number of heroin admissions somewhat exceed those for 1980 (from 4,281 to 4,353).

By the end of January, 1982, 3,707 methadone clients were enrolled in methadone programs located in the State outside New York City. Overall, these methadone programs are operating at above 100 percent capacity.

SUBURBAN NEW YORK CITY COUNTIES

By the end of January, 1982, the methadone treatment programs in Nassau and Suffolk, with a client census of 1,081 were operating at 112 percent capacity.

Westchester's methadone programs, with a census of 1,444 were operating at 100 percent capacity and had a waiting list of 14 at the end of January.

UPSTATE COUNTIES

Heroin has become more visible in upstate counties in the past year. For instance Rochester police and agents of the Drug Enforcement Administration uncovered foreign and local heroin connections when they seized 4.2 pounds of heroin in the Rochester airport several months ago. The street value of that quantity would have amounted to millions of dollars.

Albany police arrested eight area residents recently for the sale of heroin. Informants had notified police of increased heroin sales in the area.

A Dutchess County treatment administrator reports an increase in the number of local dealers. In the past, it seems that small quantities of heroin were imported from New York City. Now, dealers are basing their operations in the county itself.

In 1980, the Ulster County methadone program had 45 patients; currently it has 91. Patients claim that there are at least 30 dealers in the Kingston area.

Several methadone programs in the Hudson Valley are operating above capacity. For instance as of the end of January, 1982, Dutchess County with 108 clients was at 127 percent capacity, Rockland County with 75 clients was at 116 percent capacity, and the Orange County program with 93 clients was at 109 percent capacity.

Talwin and Pyribenzamine—"Ts and Bs" or "Ts and Blues"—had grown in popularity in upstate New York during the period heroin availability had declined. Even though heroin has become more available, many drug abusers seem to prefer "Ts and Blues" because of their lower price, ease in access through physicians, and quality control. Drug abusers report effects very similar to those of heroin. In the Buffalo SMSA (Erie and Niagara Counties), particularly, where heroin-involved emergency room episodes have declined recently, Talwin-involved emergency room episodes have inceased significantly. Between the first nine months of 1980 and the comparable period in 1981 Talwin-involved episodes increased 52 percent, from 46 to 70. As of September 1, 1981, 136 clients—19 percent of Erie County's population enrolled in treatment programs funded through the Division of Substance Abuse Services—report opiates other than heroin of illicit methadone as their primary drug of abuse.

ACROSS THE NATION

Heroin activity continues to predominate in the northeastern part of the country:

Boston reports more potent white heroin on the street, increasing numbers of heroin deaths and emergency room mentions, and an increasing number of addicts on the street.

Newark reports the availability of opium and the more exclusive use of heroin alone among street addicts. The health consequences of chronic heroin addiction are becoming more obvious—edema, sclerotic veins, cellulitis and thromboses among users.

Heroin deaths in Washington, D.C., continue to rise. In 1980, there were 60 deaths; by September, 1981, there were 94 heroin deaths, The Public Health Service's Center for Disease Control is conducting a special investigation of these deaths.

Although more potent heroin is appearing in the southwest part of the country, there is little evidence of increased heroin activity.

Talwin in combination with such drugs as Pyribenzamine, Benadryl and Ritalin are popular throughout the middle area of the country, mainly in Detroit, Chicago, St. Louis and New Orleans. Considerable violence is reported to be associated with the dealing of these drugs.

APPENDIX B

STATE OF NEW YORK DIVISION OF SUBSTANCE ABUSE SERVICES

COCAINE UPDATE FOR NEW YORK STATE

Cocaine use and cocaine dealing pervade New York City and have become more prevalent in the suburbs and the upstate counties. The following data, drawn from indirect indicators, street studies and direct surveys, highlight the upward trend in New York City and in the rest of the state, and describe the characteristics of identified cocaine users.

NEW YORK CITY

COCAINE EMERGENCY ROOM EPISODES (N.Y. SMSA)

	1978 quarter				1979 quarter				1980 quarter				1981 quarter		
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3
Episodes	[1]	[1]	162	173	194	166	200	213	300	388	538	487	457	452	518

[1] Not available.

Source: Drug Abuse Warning Network (DAWN) consistent reporters.

The data presented in the table above are cocaine-involved emergency room episodes for the New York SMSA obtained from a sample of 46 hospitals reporting to the Drug Abuse Warning Network (DAWN). The 1980 data (1713) show a 122 percent increase over the 1979 figures (773). The number of cocaine-related episodes reported for the first nine months of 1981 (1427) are 16 percent higher than the comparable period in 1980 (1226).

COCAINE-RELATED MORTALITY

	1978 quarter				1979 quarter				1980 quarter				1981 quarter	
	1	2	3	4	1	2	3	4	1	2	3	4	1	2
Deaths	[1]	[1]	5	7	8	6	8	12	14	37	19	31	[1]	[1]

[1] Not available.

Source.—Drug Abuse Warning Network (DAWN).

Cocaine-involved mortality reported to DAWN for the New York SMSA for 1980 (101) shows a 197 percent increase over 1979 (34).

COCAINE FELONY AND MISDEMEANOR ARRESTS

	1978 quarter		1979 quarter		1980 quarter		1981 quarter	
	1–2	3–4	1–2	3–4	1–2	3–4	1–2	3–4
Cocaine felony arrests	485	566	577	587	569	614	820	811
Cocaine misdemeanor arrests	222	287	221	235	220	253	400	287

Source.—New York City Police Department.

Between 1978 and 1980, the number of cocaine felony arrests had increased 13 percent—from 1,051 to 1,183; the number of cocaine misdemeanor arrests declined seven percent. In 1981, however, the number of cocaine arrests increased substantially: cocaine felonies increased 38 percent since 1980 and cocaine misdemeanors increased 45 percent.

TREATMENT ADMISSIONS WITH COCAINE AS PRIMARY DRUG OF ABUSE

	1978 quarter				1979 quarter				1980 quarter				1981 quarter			
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
Admissions	260	250	315	291	343	365	394	399	421	352	328	330	365	382	429	416

Source.—New York State Division of Substance Abuse Services, Bureau of Management Information Services.

Between 1978 and 1980, the number of New York City treatment admissions with cocaine as the primary drug of abuse had increased 28 percent—from 1,116 to 1,431. In 1981, the number of treatment admissions continued to increase; since 1980 the number increased 11 percent—from 1,431 to 1,592.

According to reports from the Drug Enforcement Administration (DEA), cocaine is widely available and purity is relatively high. Ounces, with purities ranging from 15 percent to 90 percent sell for approximately $2000. Colombians in the city control the trafficking structure.

The Street Studies Unit of the Division of Substance Abuse Services finds an increasing number of people selling and using cocaine on the street. Among street users cocaine is an popular or more popular than heroin. Cocaine is available at nine of the ten major copping (i.e., dealing) areas in New York City.

A 1981 household survey conducted by the New York State Division of Substance Abuse Services found that of New York City's 5,753,000 household residents, aged 12 and older:

378,000 (seven percent) have used cocaine in their lifetime; 250,000 (four percent) have used cocaine in the past six months; and 129,000 (two percent) have used cocaine in the past 30 days.

THE REST OF STATE

Although few data sources exist for monitoring cocaine activity in the areas of the state outside New York City, those that do exist indicate the wide prevalence of cocaine use in the rest of the state.

TREATMENT ADMISSIONS WITH COCAINE AS PRIMARY DRUG OF ABUSE, OUTSIDE NEW YORK CITY

	1978 quarter				1979 quarter				1980 quarter				1981 quarter			
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
Admissions	68	73	98	109	115	100	109	114	136	109	125	131	139	154	116	160

Source: N.Y.S. Division of Substance Abuse Services, Bureau of Management Information Systems.

Between 1978 and 1980, the number of treatment admissions with cocaine as the primary drug of abuse had increased 44 percent (from 348 to 501) to programs in the state outside of New York City. In 1981, these admissions continued to increase; since 1980, the number increased 14 percent—from 501 to 569.

The 1981 household survey conducted by the New York State Division of Substance Abuse Services found that of the 8,503,000 household residents, aged 12 and older, who live in the rest of the state:

384,000 (five percent) have used cocaine in their lifetime; 227,000 (three percent) have used cocaine in the past six months, and 127,000 (one percent) have used cocaine in the past 30 days.

Interestingly, almost as many household residents outside New York City as in the city have used cocaine. Residents in the counties of Nassau, Suffolk, Westchester and Rockland represent about half of these cocaine users; the remaining half reside in the other counties of the state.

Nassau County, for instance, has experienced a dramatic increase in cocaine-related arrests, treatment admissions and emergency room episodes. Since 1979, these arrests increased 66 percent and treatment admissions increased 94 percent; since 1978, cocaine-related emergency room episodes increased 196 percent.

The DEA reports that cocaine is readily available in Western New York—principally Buffalo and Rochester. Here, prices range between $2,000 and $2,500 per ounce. The source of cocaine for this area is Florida traffickers.

CHARACTERISTICS OF IDENTIFIED COCAINE USERS

Age

The median age of admittees to treatment programs in New York State who list cocaine as their primary drug of abuse has increased from 21 years in 1978 to 24 years in the first quarter of 1981. This increase in the age of cocaine users admitted to treatment has occurred in both New York City and other areas of the state.

Sex

In 1978, males represented 70 percent of the admittees to treatment in New York State who list cocaine as their primary drug of abuse. This percentage has increased since 1978; by the first quarter of 1981, 79 percent of cocaine admittees were male.

An increase in the percentage of males has also been noted among emergency room admissions with cocaine-related episodes. In the New York SMSA the percentage of males in this population increased from 68 percent in 1977 to 73 percent in 1980; in the Buffalo SMSA, the percentage of males increased from 58 to 70 percent.

Ethnicity

Although clients admitted to treatment with cocaine as the primary drug of abuse have been predominantly black, the proportion of blacks has been declining and the proportion of whites has been increasing. In 1978, blacks represented 55 percent of admissions while whites represented 25 percent. By the first quarter of 1981, blacks represented 46 percent and whites 32 percent. The proportion of Hispanics among treatment admissions have remained relatively stable.

Emergency room data suggest a similar trend for the New York SMSA as well as the Buffalo SMSA. Between 1977 and 1980, blacks have declined among cocaine-related emergency room admissions and whites have increased. In the New York SMSA, blacks decreased from 59 percent to 51 percent while whites increased from 24 percent to 30 percent. In the Buffalo SMSA, the trend is more dramatic; blacks declined among cocaine-related admissions from 50 percent to 26 percent while whites increased from 42 percent to 70 percent.

Survey findings

In the past five years, the number of household residents using cocaine has more than tripled in New York State. A survey conducted in 1975/76 by the New York State Division of Substance Abuse Services found that 135,000 residents, or one percent of the population, used cocaine in the six months prior to the survey. The 1981 survey found the comparable figure to be 473,000, or three percent of the population.

In the past five years, there have been an increasing number of household residents in the state who have been using cocaine very frequently. In 1976, 6,000 householders reported using cocaine 10 or more times a month; by 1981, 29,000 residents reported using cocaine at that level.

APPENDIX C

ADMINISTRATIVE OFFICE OF THE
UNITED STATES COURTS,
Washington, D.C., April 8, 1982.

MR. ED. JURITH,
Select Committee on Narcotics Abuse and Control,
House Office Building Annex 2, Washington, D.C.

DEAR ED:

EASTERN DISTRICT OF NEW YORK

From the Directors Annual Report, 967 defendant cases were commenced in the Eastern District of New York for the 12-month period ending June 30, 1980 and 1,229 were commenced for the 12-month period ending June 30, 1981, for a 2-year total of 2,196 defendants. Of that number, 776 involved prosecutions for violations of drug laws (364 in 1980 and 412 in 1981). This number represents 35.3 percent of all prosecutions commenced in that district.

Our last computer analysis indicates that 602 of those cases have been closed out. The cases were disposed of in the following manner:

Dismissed	194
Acquitted	23
Death and other	3
Convicted	382

Of those drug defendants convicted, 100 were placed on probation. The remaining 282 received terms of incarceration.

During the predisposition of those defendant cases, 377 were released on bail for a release rate of 62.6 percent. While on bail, 13 defendants committed a new crime on bail (3.4 percent) and 5 defendants failed to appear (1.3 percent).

SOUTHERN DISTRICT OF NEW YORK

In the Southern District of New York, 1,231 defendant cases were commenced in the 12-month period ending June 30, 1980 and 1,330 were commenced for the 12-month period ending June 30, 1981, for a 2-year total of 2,561 defendants. Of that number 667 were drug violation cases (344 in 1980 and 323 in 1981). Thus 26 percent of all prosecutions in the Southern District of New York during this 2-year period were for drug law violations.

Of the 676 drug cases commenced in the 2-year period, 509 are closed and appear in our last computer run. Those cases were disposed of as follows:

Dismissed	111
Acquitted	11
Death and other	5
Convicted	382

Of those drug defendants convicted, 131 were placed on probation and the remaining 251 defendants received varying terms of incarceration.

During the pretrail phase of those defendant cases, 440 defendants were released on bail for a release rate of 86.4 percent. While on bond, 24 defendants committed a new crime on bail (5.5 percent) and 6 defendants failed to appear (1.4 percent).

GENERAL FOR BOTH DISTRICTS

Of the 48 defendants who violated release conditions by either a crime on bail or a failure to appear, 38 were opiate abusers, 26 were unemployed, and 27 had prior records.

We have not closed the records and, therefore, not computerized the individuals who are still fugitives. However, the percentages taken from hand counts do not vary much from the above mentioned statistics. These total figures and percentages are available, if you want them. If anything contained in this letter is not clear, please call.

Sincerely,

GLEN W. VAUGHAN,
Pretrail Services Specialist.

APPENDIX D-1

U. S. HOUSE OF REPRESENTATIVES,
SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL,
Washington, D.C., April 14, 1982.

Hon. WILLIAM VON RAAB,
Commissioner,
U.S. Customs Service, Washington, D.C.

DEAR COMMISSIONER VON RAAB: As you are aware by previous correspondence, on April 30, 1982, the Select Committee on Narcotics Abuse and Control will hold a public hearing in New York City to assess how Federal law enforcement resources can be used more effectively with state and local resources to combat narcotics trafficking in the New York metropolitan area.

To assist the Committee in its conduct of this inquiry, it is requested that you supply us with the following information and documents:

1. The amount appropriated for the Customs Service for Customs functions for each of fiscal years 1978-1982 and the Customs request for 1983.
2. The amount of the Customs Service appropriations assigned to the New York region for each of fiscal years 1978-1982 and the amount of the 1983 request that is planned for the New York Region.
3. The threat assessments or other written justifications prepared by the New York Region and/or Customs headquarters to support the above levels of appropriations assigned to the New York Region.
4. The total number of Customs personnel during each of fiscal years 1978-1982 and proposed for 1983; the number of personnel during this same time period for each of the following categories—Inspectors, Patrol Officers and Agents. Please provide a similar analysis of Customs personnel assigned to the New York Region for each of fiscal years 1978-1982 and as proposed for 1983.
5. The number and amounts of heroin, hashish, marihuana, cocaine, and other controlled substance seizures by Customs in each of fiscal years 1978-1981 and 1982 (to date), and the estimated dollar value of these seizures. Please provide a similar analysis of Customs seizures in the New York Region over the same time period.
6. The number of Customs personnel, if any, reassigned from the New York Region tactical interdiction workforce to the Gulf and Southeast regions of the country under the Patrol Resource Allocation Analysis System (PRAAS) which was to be completed by February 1982. Please provide an analysis of these reassignments by principal job category.
7. The equipment, manpower, and other resources reassigned from the New York Region to participate in the Vice President's South Florida Task Force Operations.
8. The priority assigned to financial investigations of drug traffickers by the New York Region (i.e., the portion of the budget and manpower for New York assigned to financial investigations for 1982 and planned for 1983).

Your prompt assistance in this matter is appreciated. If you have any questions concerning this request, please contact Mr. Edward Jurith or Mr. George Gilbert, Committee Counsels, at 226-3040.

Sincerely,

LEO C. ZEFERETTI,
Chairman.

APPENDIX D-2

THE COMMISSIONER OF CUSTOMS,
Washington, D.C., April 27, 1982

Hon. LEO C. ZEFERETTI,
Chairman, Select Committee on Narcotics Abuse and Control,
House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: In reply to your letter dated April 14, 1982, relative to the forthcoming public hearing in New York City to assess how Federal law enforcement resources can be used more effectively with state and local resources to combat narcotics trafficking in the New York metropolitan area, I am pleased to respond to your proposed questions.

Question 1. The amount appropriated for the Customs Service for Customs functions for each of fiscal years 1978-1982 and the Customs request for 1983.

Answer. The amounts appropriated for Customs for fiscal years 1978-1982 and the fiscal year 1983 request are as follows:

Fiscal year:	*Thousands*
1978	$405,474
1979	444,059
1980	457,636
1981	498,468
1982	[1] 493,743
1983	[2] 499,060

[1] Does not include the pay raise or the Florida Operation Supplemental.

[2] Does not include funds for the proposed merger of alcohol and tobacco functions from the Bureau of Alcohol, Tobacco and Firearms.

Question 2. The amount of the Customs Service appropriations assigned to the New York Region for each of fiscal years 1978-1982 and the amount of the 1983 request that is planned for the New York Region.

Answer. The amount of Customs appropriations assigned for the New York Region are as follows:

Fiscal year:	*Thousands*
1978	$68,787
1979	72,717
1980	78,357
1981	77,481
1982 (As of Apr. 16, 1982)	79,759

The amount to be assigned to the New York Region for fiscal year 1983 is in the process of being developed at this time. It will be based on workload trends and available resources.

Question 3. The threat assessments or other written justifications prepared by the New York Region and/or Customs Headquarters to support the above levels of appropriations assigned to the New York Region.

Answer. The appropriation for and staffing level of U.S. Customs Service elements are determined by the overall Customs mission which includes primary areas of export control, control of the entry and exit of currency and monetary instruments, commercial entry of commodities and the processing of passengers as well as the interdiction of illicit narcotics. In support of enforcement operations for 1982, the Intelligence Support Staff of the Office of Border Operations has prepared a three part threat assessment relating to heroin, cocaine and marijuana smuggling. In view of the bulk of the documents involved, a synopsis of their contents are provided as follows:

Part I: Heroin threat assessment

During calendar year 1982, it is predicted, based on all sources of intelligence presently available, that approximately 8,800 pounds of heroin will be smuggled to the United States border.

Heroin is currently produced in three distinct areas of the world; Southwest Asia and Europe, Southeast Asia, and Mexico. For the past 2 years Southwest Asia and Europe have presented the greatest heroin smuggling threat to the United States, providing approximately 4,400 pounds or 50 percent of the heroin to the United States heroin market. Southeast Asia, because of a good 1981 opium crop in the Golden Triangle, should present the second greatest threat in 1982, providing approximately 3,520 pounds or 40 percent of the heroin to the United States heroin market. Mexican heroin, because of expanded cultivation of opium poppies, should increase over 1981 heroin production, but will present the smallest threat in terms of quantity of heroin when compared to the other heroin source areas. During 1982, Mexican heroin should contribute approximately 880 pounds or 10 percent of the United States heroin market.

The impact of heroin smuggled to the United States during 1982 is believed to be the greatest in Customs Region II, specifically John F. Kennedy International Airport, and the New York/New Jersey seaport areas. About one half of all heroin smuggled into the United States during 1982 is believed to enter through Customs Region II.

Part II: Cocaine threat assessment

During calendar year 1982, based on all sources of intelligence presently available, approximately 96,800 pounds of cocaine will be smuggled to the United States border.

Cocaine is produced in large quantities in the South American countries of Peru, Bolivia, and Colombia. The primary threat relative to cocaine smuggling involves the use of private and commercial aircraft. Approximately 90 percent of the Cocaine entering the United States is believed to be via these air conveyances.

Part III: Marijuana threat assessment

During calendar year 1982, based on all sources of intelligence presently available, approximately 28,600,000 pounds of marijuana will be smuggled to the United States border.

Marijuana smuggled to the United States is produced in Colombia, South America, Jamaica, and Mexico. About 80 percent of the marijuana entering the United States is of Colombian origin.

About 2 percent or 572,000 pounds of marijuana is believed to penetrate the United States border through Customs Region II.

Question 4. The total number of Customs personnel during each of fiscal years 1978–1982 and proposed for 1983; the number of personnel during this same time period for each of the following categories—inspectors, patrol officers and agents. Please provide a similar analysis of Customs personnel assigned to the New York Region for each of fiscal years 1978–1982 and as proposed for 1983.

Answer.

Year and employment for the Customs Service

Fiscal year:	
1978	15,065
1979	14,583
1980	14,225
1981	13,815
1982 (as of Mar. 20, 1982)	13,784
1983 (proposed)	12,120

Year end employment for the New York Region

Fiscal year:	
1978	(1)
1979	3,047
1980	2,875
1981	2,661
1982 (as of Mar. 20, 1982)	2,591
1983 (approximately)	2,302

[1] Not available.

THE YEAR END EMPLOYMENT BY CATEGORY FOR THE CUSTOMS SERVICE

	Inspector	Patrol officer	Agent[1]
Fiscal year:			
1981	4,350	1,284	588
1982 (as of March 20, 1982)	4,326	1,255	618
1983 (approximately)	3,563	1,209	612

[1] Does not include Agents for internal security.

Note.—Employment for fiscal years 1978–80 not available.

YEAREND EMPLOYMENT BY CATEGORY FOR THE NEW YORK REGION

	Inspector	Patrol officer	Agent [1]
Fiscal year:			
1981	786	197	68
1982 (as of March 20, 1982)	791	181	78
1983 (approximately)	658	159	78

[1] Does not include Agents for internal security.

Note.—Employment for fiscal years 1978–80 not available.

Question 5. The number and amounts of heroin, hashish, marijuana, cocaine, and other controlled substance seizures by Customs in each of fiscal years 1978–1981 and 1982 (to date), and the estimated dollar value of these seizures. Please provide a similar analysis of Customs seizures in the New York Region over the same time period.

Answer. Enclosure A reflects charts showing the total national U.S. Customs Service and the New York Region's narcotic seizures for fiscal years (78–81 and fiscal year 82) through March 1982. The drug values used in calculating figures were provided by the Drug Enforcement Administration. However, it should be noted that illicit drug prices vary widely depending on location of purchase, volume of purchase, location of source, whether established customer or not, purity, etc. Further, illicit drug prices are impacted by a wide range of international economic, political, and supply and demand factors. The values cited should, therefore, be considered as estimates only.

Question 6. The number of Customs personnel, if any, reassigned from the New York Region's tactical interdiction workforce to the Gulf and Southeast regions of the country under the Patrol Resource Allocation Analysis System (PRAAS) which was to be completed by February 1982. Please provide an analysis of these reassignments by principal job category.

Answer. As a result of a shifting smuggling threat, Customs has been reviewing its patrol force deployment. The major shift has been to the southeast border where some 70 percent of Customs seizures are occurring. Using the Patrol Resource Allocation Analysis System (PRAAS), which analyzes productivity, potential threat, and other factors, including management consideration, Customs has developed a redeployment plan involving about 8.3 percent of the Tactical Interdiction force. In general, the transfers are from areas with relatively low results to high threat/high productivity locations.

For the New York Region, nine patrol officers (five from the Regional Patrol Station and four from John F. Kennedy Airport) have been reassigned to the Customs Miami Region. Specific reassignments are as follows:

Location	*Number*
West Palm Beach, Fla	3
Tampa, Fla	2
Wilmington, N.C. (boat handler)	1
Brunswick, Ga.	1
Jacksonville, Fla	1
Fort Myers, Fla	1
Total	9

Question 7. The equipment, manpower, and other resources reassigned from the New York Region to participate in the Vice President's South Florida Task Force Operations.

Answer.

Manpower:	
Special agents	8
Patrol officers	22
Clerical	2
Total	32
Equipment:	
Automobiles	16
Portable radios	21
Shotguns	5
Binoculars	5
35mm camera	1

Nagra recorder	1
Recorders w/Induction coils	3
Polaroid cameras	3
Pagers	5

Question 8. The priority assigned to financial investigations of drug traffickers by the New York Region; i.e., the portion of the budget and manpower for New York assigned to financial investigations for 1982 and planned for 1983.

Answer. In the New York Region of the Customs Service, as in all other regions, financial investigations of narcotic trafficking organizations are being stressed to reduce the incentive for crime by attacking their economic base through monetary penalties/seizures and prosecutions of individuals at the financial level of a trafficking organization. Specifically, the Office of Border Operations in accordance with Federal law enforcement priorities addressing the problems of violent crime, white collar crime, organized crime and narcotics trafficking, will emphasize felony currency conspiracies and seizures for prosecutable drug smuggling violations, other than marijuana.

The Special Agent in Charge, New York, New York, is presently committed to a multiagency financial task force, code name OPERATION EL DORADO, to conduct financial investigations of narcotic trafficking organizations in the New York City vicinity. The task force is currently being supported by the Financial Law Enforcement Center (FLEC) at Customs Headquarters, Washington, D.C. The Financial Law Enforcement Center is furnishing New York EL DORADO with investigative leads based on suspect filings of financial data reports required by the Bank Secrecy Act.

During the first 6 months of fiscal year 1982, the New York Region has committed 22.4 percent of its manpower and budget toward the financial investigation of narcotic trafficking. With the inception of the New York EL DORADO task force in early 1982, it is anticipated that additional budgeting and manpower resources will be committed in this area during the balance of fiscal year 1982 and during fiscal year 1983.

Please be assured that the New York area is considered to be of prime importance in our continued efforts to suppress the influx of narcotics.

Yours faithfully,

WILLIAM VON RAAB.

U.S. CUSTOMS NEW YORK REGION, NARCOTIC SEIZURES BY FISCAL YEAR

	1978	1979	1980	1981	1982[1]
Heroin:					
Number of seizures	58	40	44	52	21
Quantity (pounds)	100.2	49.6	98.2	143.1	198.8
Value	$46,127,671	$30,449,539	$60,721,774	$90,044,960	$125,635,238
Cocaine:					
Number of seizures	185	238	233	225	56
Quantity (pounds)	111.5	196.3	229.8	267.8	60.5
Value	$29,866,390	$57,928,130	$74,073,732	$80,648,773	$19,226,900
Hashish:					
Number of seizures	3,300	2,696	2,110	431	105
Quantity (pounds)	8,295.0	44,721.4	7,707.5	9,929.2	43,043.5
Value	$35,021,490	$174,189,853	$14,035,358	$16,005,870	$60,826,557
Marijuana:					
Number of seizures	948	1,453	1,668	1,262	632
Quantity (pounds)	9,063.4	77,680.1	85,684.4	62,459.3	25,042.6
Value	$3,534,726	$46,918,780	$60,321,818	$46,407,260	$18,706,822
Opium:					
Number of seizures	26	20	19	20	14
Quantity (pcunds)	18.8	6.6	16.1	4.5	9.7
Value	n/a	n/a	n/a	n/a	n/a
Morphine:					
Number of seizures	1	5	7	6	0
Quantity (pounds)	([2])	6.6	1.1	2.5	0
Value	n/a	n/a	n/a	n/a	n/a
Other drugs, barbiturates, and LSD:					
Number of seizures	914	1,002	895	480	71

U.S. CUSTOMS NEW YORK REGION, NARCOTIC SEIZURES BY FISCAL YEAR—Continued

	1978	1979	1980	1981	1982 [1]
Quantity (pounds)	325,089	10,367,016	318,359	4,076,734	12,089
Value	$331,591	$28,820,304	$1,098,339	$14,350,103	$42,795
Total seizures	5,432	5,454	4,976	2,476	899
Total value	$114,881,868	$338,306,606	$210,851,021	$247,456,966	$106,803,199

[1] To date through March 1982.

[2] Indicates less than 0.1 pounds.

U.S. CUSTOMS SERVICE, NATIONAL TOTAL NARCOTIC SEIZURES BY FISCAL YEAR

	1978	1979	1980	1981	1982 [1]
Heroin:					
Number of seizures	179	173	149	170	67
Quantity (pounds)	188.6	122.5	268.7	234.1	207.5
Value	$86,823,141	$75,080,250	$166,150,108	$147,306,108	$131,133,360
Cocaine:					
Number of seizures	846	1,259	1,307	1,372	521
Quantity (pounds)	1,418.7	1,438.1	4,742.9	3,741.1	5,546.2
Value	$380,012,982	$424,383,310	$1,528,826,386	$1,126,644,723	$1,693,338,053
Hashish:					
Number of seizures	4,919	4,379	3,979	2,689	1,163
Quantity (pounds)	22,658.5	50,848.9	14,675.4	17,991.8	56,691.4
Value	$95,664,187	$198.056,466	$26,717,153	$29,002,782	$90,649,549
Marijuana:					
Number of seizures	12,826	12,323	12,620	14,036	5,306
Quantity (pounds)	4,616,883.7	3,583,555.5	2,361,141.5	5,109,792.5	2,152,124.8
Value	$1,426,617,063	$2,164,467,522	$1,661,535,274	$3,796,575,274	$1,607,637,226
Opium:					
Number of seizures	51	41	33	52	124
Quantity (pounds)	20.3	26.1	49.9	9.5	152.9
Value	n/a	n/a	n/a	n/a	n/a
Morphine:					
Number of seizures	6	21	15	75	3
Quantity (pounds)	1.8	8.8	50.7	6.2	0.1
Value	n/a	n/a	n/a	n/a	n/a
Other drugs, barbiturates, and LSD:					
Number of seizures	2,911	3,130	3,495	3,877	1,320
Quantity (pounds)	7,683,298	15,912,218	43,000.416	38,947,804	654,767
Value	$7,836,964	$44,235,966	$148,351,435	$137,096,270	$2,317,875
Total seizures	21,738	21,326	21,598	22,271	8,504
Total value	$1,996,954,337	$2,906,223,514	$3,531,580,356	$35,235,524,857	$3,525,076,063

[1] To date through March 1982.

APPENDIX D-3

U.S. HOUSE OF REPRESENTATIVES,
SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL,
Washington, D.C., May 4, 1982.

Hon. WILLIAM VON RAAB,
Commissioner,
U.S. Customs Service, Washington, D.C.

DEAR COMMISSION VON RAAB: I am writing in regard to your letter of April 27, 1982, responding to my letter of April 14, 1982, which requested you to supply the Committee with certain information and documents in connection with our April 30, 1982, hearing in New York City on narcotics law enforcement.

On April 29, 1982, a member of your staff informally advised Committee staff that the estimates included in your letter of staffing levels for the New York Region for fiscal year 1983 were inaccurate. At the hearing last Friday, the Customs witness, Mr. Anthony Liberta, also stated that these projections were incorrect. To clarify our record, will you plase provide the Committee with correct estimates of the total number of Customs personnel that will be assigned to the New York Region during fiscal year 1983. In addition, please include estimates for the same time period for each of the following personnel categories—Inspectors, Patrol Officers and Agents. Please indicate how these estimates are derived and any limitations or qualifications that apply to these projections.

Your letter also indicated that 22 Customs Patrol Officers have been reassigned from the New York Region to participate in the Vice President's South Florida Task Force operations. At our hearing, Mr. Liberta said the loss of these personnel would not impair Customs drug law enforcement activities in New York. Will you please explain why the transfer of these employees does not affect your New York operations?

Finally, my letter asked for the threat assessments or other written justifications prepared by the New York Region and/or Customs headquarters to support the allocation of appropriations to the New York Region. Because of the bulk of these documents, your reply included a synopsis of a three part threat assessment relating to heroin, cocaine and marihuana smuggling prepared by the Intelligence support Staff of the Office of Border Operations in support of enforcement operations for 1982. We would appreciate a copy of this assessment as well as a copy of the assessment prepared for 1983.

Thank you for you timely response to our earlier inquiry. Your prompt attention to this further request would be most helpful to the Committee.

Sincerely,

LEO C. ZEFERETTI,
Chairman.

APPENDIX D-4

THE COMMISSIONER OF CUSTOMS,
Washington, D.C., June 2, 1982.

Hon. LEO C. ZEFERETTI,
Chairman, Select Committee on Narcotics Abuse and Control,
House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your letter of May 4, 1982, regarding certain information supplied to your Committee.

The New York Region is presently authorized a total ceiling strength of 2,724 positions. In fiscal year 1983, the Customs Service staffing will be reduced by 16 percent or 2,304 positions. The specific reductions by region have not been determined. Final determination of regional reductions will be made when our appropriation is passed by Congress.

The New York Regional Patrol program recently reassigned 22 Patrol officers to the Joint Task Force in Florida until June 15, 1982. After June 15, 1982, only 4 Patrol officers from the New York Region will be dedicated to the Florida operation.

The temporary reduction of 22 Patrol officers from the New York Region has been dealt with in a manner designed to cause the least disruption to ongoing Patrol tactical interdiction programs in New York. Shift scheduling of Patrol resources was modified to accommodate complete enforcement coverage to all normally covered international flights at JFK and international vessel arrivals in the New York and Newark Seaports. Additionally, Patrol officers were reassigned from other programs of lower priority to supplement enforcement coverage at and between established ports of entry.

While the temporary loss of manpower to the New York Region has caused scheduling manipulations, Regional Patrol management has endeavored to adjust the work force in a manner which would not deter or reduce Patrol's enforcement presence and effectiveness. This endeavor has been successful and routine, normal coverage has been maintained.

Enclosed, for your information, is a Threat Assessment for fiscal year 1982 on the entire country which includes the New York area. At the present time, there is no assessment available for fiscal year 1983. We trust that we have responded fully to your request, and if we can be of further assistance, please do not hesitate to contact us.

Yours faithfully,

ALFRED R. DEANGELUS,
Acting Commissioner.

APPENDIX E

BRIEF OVERVIEW OF 1983 BUDGET REQUESTS FOR SELECTED DRUG ENFORCEMENT AGENCIES

DEA

The DEA Request for 1983 represents a $16.1 million net increase over the 1982 continuing resolution amount. The budget includes a decrease of $2.5 million in the salaries and benefit base equivalent to 100 workyears. DEA contents that the 1983 request will provide funding for the ongoing level of operations within DEA.

FBI

The FBI request for 1983 represents an increase of $59.7 million and a decrease of 408 positions, 395 of which are currently unfunded or unfilled. The 1983 budget is essentially a current services budget which, according to Department officials, will permit FBI to maintain its efforts in all "priority" investigative areas.

U.S. attorneys

The $24.3 million increase in 1983 for the U.S. Attorneys represents an uncontrollable increase of $23.8 million and a transfer of $.5 million and 11 positions from the Criminal Division. At this level of resources, it is anticipated that the U.S. Attorneys will handle approximately the same caseload as in 1982.

Customs

The 1983 request for Customs will result in the loss of 2300–2600 Customs personnel through RIF's and attrition. These reductions include the loss of 900–1200 Customs Inspectors and 100 Patrol Officers.

Coast Guard

At fiscal year 1981 funding levels, Coast Guard services were deteriorating in several areas, including drug enforcement in the Pacific which was curtailed by 90 percent due to lack of funds to buy fuel. Without supplemental appropriations in fiscal year 1982, Coast Guard will lose 3,000 military personnel and be forced to make a number of significant reductions in operations including decommissioning ships and closing various Coast Guard facilities. Supplemental appropriations legislation is currently pending in the House.

The fiscal year 1983 request would only permit the Coast Guard to continue operations at the reduced fiscal year 1982 level.

BUDGET AUTHORITY

[In millions of dollars]

	1981 actual	1982 appropriations to date	1983 request	Percent change from 1982–83 [1] a
DEA	215.3	230.8	246.9	+7.0
FBI	674.5	739.6	799.3	+8.1
U.S. attorneys	177.0	185.9	210.2	+13.1
Customs	498.5	493.7	[2] 499.0	+1.2
IRS	2,480.6	[3] 2,589.1	2,919.5	+12.7
Coast Guard (total)	1,337.2	[4] 1,387.1	1,510.6	+8.9
Operating expenses Acquisition, construction, and improvements	334.0	[5] 684.0	[6] 19.2	−97.2
STATE/INM	36.0	36.7	40.0	+9.0
NIDA	297.3	57.8	60.3	+4.3
Alcohol, drug abuse and mental health (ADM) block grant		431.0	432.0	+0.2
Alcohol and drug abuse education [7]	2.8	2.9	2.6	−10.3

[1] a The President's 1983 budget assumes a rate of inflation of 7.3 percent in calendar year 1982 and 6 percent in calendar year 1983.

[2] b This amount includes approximately $18 million for pay raises approved in October 1982. The 1982 appropriation of $493.7 includes no amount for the 1982 pay raises. Thus, there is an actual decrease of $13–$14 million for Customs from 1982 to 1983. When the impact of rising costs are factored in, Customs will need approximately $44 million more in 1983 than has been requested to maintain current services.

[3] c Includes a supplemental appropriation of $123.5 million requested in the 1983 budget.

[4] d Includes a supplemental appropriation of $30.5 million requested in the 1983 budget.

[5] e Includes $300 million appropriated for the Coast Guard in the 1982 Defense Appropriation Act.

[6] f The 1983 budget request for the Coast Guard states that the 1983 program for acquisition, construction and improvements consists almost entirely of projects funded in 1982 for which design, engineering or procurement lead time is insufficient to permit contract award before 1983.

[7] g Funds for this activity were specifically set aside in the block grants for improving school programs. Under the President's 1983 budget proposals, this activity would be transferred from the Department of Education to a new Foundation for Education Assistance.

APPENDIX F

THE CITY OF NEW YORK,
OFFICE OF CHIEF MEDICAL EXAMINER,
New York, N.Y., September 16, 1982.

Hon. LEO C. ZEFERETTI,
Congressman, House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN ZEFERETTI: In 1981 there were 31,658 deaths reported to our Office. Seven thousand, nine hundred fifty-one autopsies were performed and vital organs from 6,278 were analyzed for the presence of alcohol and drugs. Although, many of the fatalities investigated are attributable to or related to drug abuse, my Office remains limited in the data it can provide.

The numbers of deaths which occurred in the City of New York during 1978–81, and in which the cause of death has been coded as due to drug dependence are as follows:

1979, 488; 1980, 536; 1981, 511.

Included in these figures are deaths attributable to heroin addiction (in which the cause of death is listed as acute and chronic intravenous narcotism). These figures do not include drug-related fatalities such as homicide victims, who exhibited physical signs of addiction, or on chemical analysis of vital organs gave positive results for the presence of morphine.

The numbers of deaths in which methadone was detected in tissues removed at autopsy have been reported by our Toxicology Laboratory as:

1979, 360; 1980, 210; 1981, 309.

These figures refer both to deaths classified as due to drug dependence and in which methadone was indicated or detected in tissues, and to deaths due to other causes, (i.e.; gunshot wounds) in which the presence of methadone was reported in our laboratory. These figures, however, cannot, in and of themselves, be considered as an indicator of deaths due to methadone abuse.

Very truly yours,

ELLIOT M. GROSS, M.D.,
Chief Medical Examiner.

○